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Marxism Today

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Marxism Today

Vol. 2 No. 3

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Rebels and Causes: Some Thoughts on the Angry Young Men

Arnold Kettle

ANGRY is not quite the right word. For anger is more clear-cut and specific. Fed-up perhaps hits it more clearly but is not quite right either, for it lacks the quality of thwarted aspiration. Frustrated says a lot about the situation, but says it too much, so to speak, from the outside, objectively, implying a value-judgment they would scarcely accept.

Is it a real and important phenomenon—this question of the angry young men—or is it some sort of a newspaper stunt, a publicity racket, a nine-days-wonder to keep our minds off deeper things? Or, if it is real, is it exaggerated and warped, a small thing given undue and falsifying prominence?

I think it is a real and significant phenomenon and that we should make a serious mistake if we were tempted to play it down through attitudes of contempt and smugness.

It is tempting to play the whole thing down because a number of the chief performers, the spot-light men, are so awful and so silly. Mr. Colin Wilson, a sort of intellectual Elvis Presley, does not in himself of course merit serious attention. It is a tit-bit of cultural interest to note how, in the words of Lindsay Anderson, "Toynbee and Connolly went down on their knees, and within a week he [Wilson] was famous". But though the success of *The Outsider* throws interesting light on the intellectual standing and publicity powers of the posh Sunday papers' literary reputation-makers, it wouldn't of itself deserve mention in *Marxism Today*. And already the very journals that made Colin Wilson's reputation are busy unmaking it. It would have been kinder not to have manured the flower-bed in the first place.

James Dean

Look Back in Anger is a better starting-point than *The Outsider* for a discussion of the angry young men and perhaps the career of James Dean is a better one still. James Dean, as everyone knows, was an American film star who died in a car smash at the age of twenty-four. Despite all the hysteria and ballyhoo—which make one realise that *The Loved One* was an understatement—the cashing-in of the racketeers and the layers of sentimental religiosity, Dean was a serious and intelligent actor who, like John Osborne the author of *Look Back in Anger*, struck a note which really expressed something significant in the social situation of our time. The American crazy, mixed-up kid—with the aura of self-pity, bad manners and phoney psychology that surrounds him — isn't a particularly sympathetic figure, but he exists all right and so do the somewhat modified versions of him in Western Europe and also, apparently, to some extent elsewhere. James Dean is important because his films and—above all—the impact he made on young people show that the problem we are up against is confined neither to one country nor to one stratum of society. I am not suggesting that the teddy-boys are all angry young men, but I do make the general point with some emphasis because I think it is important to see the question of the angry young men not merely in terms of the Royal Court Theatre, Sloane Square, or the relatively few and very largely middle-class people who read *The Outsider, Declaration, The Divine and the Decay* or even *The Observer*. It is a question linked with all the widespread cultural phenomena connected with young people today—jeans, coffee-bars, rock-and-roll, *Reveille*, traditional jazz, the small Young Communist League, the non-existent Labour League of Youth, the Six-Five Special, space-travel, Johnny Haines and all.

What James Dean expressed was a sulky and more or less ineffectual protest against the awfulness of the American middle class. He was always the uncertain boy, more sensitive and intelligent than those around him, in awkward, painful and incoherent revolt against the philistinism and inhumanity of the bourgeois and petit-bourgeois worlds. The films in which he appeared, all

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saturated with that naïve and repulsive sentimentality which in American middle-brow culture passes for human sympathy, always presented him as a psychological case, a rather corny odd-man-out—happily for the box-office not without sex-appeal—failing to "adjust" to normal American society. To make the rebellion more plausible and less subversive his family and/or friends would be presented not as the typical, healthy, hearty, understanding American family without a care or complex in the world (Life with the Lyons on a big scale) but as themselves a few degrees off the norm in the way of domestic or economic or religious frustration. The James Dean figure could in this way be displayed as a rebel lacking not only a cause to associate himself with but an adequate general social cause for being a rebel at all. If only his parents had got on better or been just that bit more understanding, or if the sweet girl had only preferred him to the football captain everything would have been fine—except for what must be becoming a powerful pressure-group in American society, the psychiatric profession. Yet what is memorable about the James Dean films, and what made Dean a force, is not their sentimental diagnosis or their compromise solutions but the glimpse they gave, through the talent and intelligence of Dean himself, of a real and moving human situation: the sensitive young man hemmed in and hurt by capitalist society and yet so deeply permeated and indeed warped by petit-bourgeois values and ideology that he can see no way out of his dilemmas and can be sure of nothing except his own frustration. One cannot help feeling that there really was a sort of inevitability about that fatal car-crash, rather like the death of that much bigger but equally symbolic figure whose causes got mixed up, T. E. Lawrence.

"Look Back in Anger"

James Dean, who had been a stage actor (he had appeared, interestingly, in New York in an adaptation of André Gide's *The Immoralist*), could have given an excellent performance as Jimmy Porter, the hero of John Osborne's *Look Back in Anger*. No one would claim *Look Back in Anger* as one of the world's great plays. As drama it is without development or even structure and the plot, such as it is, carries no conviction. But *Look Back in Anger*, especially in its early scenes, has nevertheless a vitality, a capacity to hold and delight an audience—or at least all but the old fogeys in it—which make complaints that it isn't art seem a bit irrelevant. And the point about John Osborne's play is that—for all its repetitiveness and lack of artistic resolution—it hits off something real, says something about life in Britain in the nineteen-fifties which immediately evokes a response in the feelings of a large number of people, especially young people.

Jimmy Porter is not presented by John Osborne as a desirable phenomenon; simply as a real one. He is, let us agree, extremely unpleasant, egotistical, self-pitying and irresponsible. He is at war with his environment, but in an entirely individualist and ineffective way. Whereas the James Dean figure had been essentially inarticulate, Jimmy Porter is highly articulate, though his eloquence is in fact limited to a topical and rather self-consciously shocking kind of verbal slapstick, not unlike the dialogue of another work, of less than serious stature, which also made hilarious fun at the expense of middle-class respectability—*The Man Who Came to Dinner*.

The whole impact of *Look Back in Anger* is negative, but not, however, with the negative passivity of *Waiting for Godot*. The invective which is the play's chief characteristic has within it an implied protest, a vital indignation. What moves and delights the audience is not the revelation of Jimmy Porter's dank, self-pitying soul, but the bashes he gets in by the way at the world around him. He may be on one level a descendant of A. E. Housman's sad young man:

> I a stranger and afraid
> In a world I never made

but he would not subscribe—at any rate as far as his personal life is concerned—to Housman's further sentiment:

> Let us endure an hour and see injustice done.

His protests may be purely verbal but (seeing he is a character in a play) what is important is that they are *expressed*. Words, after all, are not just passive things.

It is not fair, of course, to identify John Osborne with Jimmy Porter. But it is clear that it is precisely in this capacity for negative invective that Osborne's talent as a writer lies. His essay in *Declaration*[1] is a tame and wishy-washy affair except when he works himself up into a state of indignation about something—the Establishment in general or the Monarchy in particular. Unfortunately, though not perhaps surprisingly, there seems to be creeping more and more into Osborne's writing a self-conscious determination to play a part. He has made a hit as the Original Angry Young Man and he seems to feel the need to entertain in the manner expected of him—with the inevitable consequences. His limitations not just of political comprehension but of general sensibility were demonstrated only too

[1] A collection of eight essays, ed. T. Maschler (McGibbon & Kee) 18s.

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clearly in the silly superficial articles he wrote on his return from a fortnight in the Soviet Union. I don't suppose Beryl Grey is any more "political" a character than John Osborne, but her impressions of Moscow show up in the whole quality of feeling displayed in them the rather tawdry shallowness of his.

Class Background

The sort of thing *Look Back in Anger* has meant to some of the younger generation is well exemplified by a few sentences from a letter by a young Christian in a magazine called *Frontier*:

> "Alison, the wife [in the play], personifies, in an almost terrifying way, all those cherished English qualities, niceness, restraint, 'graciousness' even, which were once virtues and are now simply inappropriate. . . . There is a frightening unwillingness [in the Establishment] to feel, to think and to connect, which issues at the present moment in such actions as the Government's refusal to repeal the unjust laws relating to homo-sexuality, which issued a year ago in the perilous madness of Suez. Jimmy Porter, whatever his faults, is an animal who thinks and feels, who is alive and kicking. . . ."

It is an interesting letter. It expresses very clearly the disgust and contempt of thousands of young men and women for a ruling class which they feel to be a hopeless anachronism, a government which is kidding itself that it is still existing in a world which went out with the First World War. And as such the letter is an assertion of humanity, of progressive aspiration, against an outworn and morally bankrupt order. Notice, too, how the tell-tale adjectives "terrifying" and "frightening" creep into an essentially decorous, "respectable" way of writing, giving a hint of the near-hysterical quality of the young men's anger—and of their fears. Notice alongside the acute analysis of Alison Porter (what Jimmy cannot forgive her is her middle-class family), the curious juxtaposition of the Wolfenden Report and Suez, regarded as about equally important.

Kingsley Amis, who understandably objects to being classified as an Angry Young Man—anger is about the last quality one associates with him—but who nevertheless reflects many of the problems and characteristics of the situation we are concerned with, mentions[1] as public issues about which contemporary Left-wing intellectuals have felt most strongly: the colour-bar, horror-comics, juvenile delinquency, the abolition of capital punishment, the reform of the laws relating to divorce and homosexuality, Suez and Hungary. My own observation in similar circles suggests that his list is not far out. What I think one must insist on about the implications of this situation is that the political/ideological slant involved here is not socialist but liberal and that the class outlook behind these emphases (the omissions are as relevant as the inclusions) is not working-class but petit-bourgeois. This is not to suggest for a moment that concern over the colour bar or capital punishment, for instance, are not excellent things nor that they are not shared by working-class militants and communists (I recall that in the university where I work a petition for the abolition of capital punishment was being organised at the time of the Silverman Bill by communists and non-communists working together). But it does not help anyone, including the Angry Young Men themselves, to slur over the very real differences between their basic outlook and that, not just of communists, but of the class-conscious workers as a whole.

[1] In *Socialism and the Intellectuals* (Fabian Tract No. 304).

The "Fifties" and the "Thirties"

The angry young men of the fifties have certain things in common with the rebels among the intellectuals of the thirties, but also some interesting differences. In the first place, there is a limited but significant shift in social background. The most articulate of the Left-wing intellectuals of the thirties were from a bourgeois or upper-middle-class, as opposed to a lower-middle-class or working-class background, and were mostly educated at the public schools and Oxford or Cambridge. The educational background has shifted by now to the grammar schools and (though not exclusively) the provincial universities. Jimmy Porter was a student at a "white-tile" university and Jim Dixon teaches at one. John Wain and Kingsley Amis, though they went to Oxford, got jobs teaching English at Reading and Swansea.

It is possible, however, to make too much of this shift in class background, which corresponds of course with the shift from Chamberlain's Britain to Attlee's. What the "Welfare State" has done is to retain all the fundamental contradictions of capitalism, all the fundamental frustrations and inhumanities which make young men angry, while providing at least temporarily more economic security and rather more educational opportunity. Class structure has not been in any serious sense changed. Lindsay Anderson can write, in one of the best essays in *Declaration*:

> "When Mr. Macmillan, making his first broadcast as Prime Minister, talks about 'dreary equality', we recognise the concept of society that inspires him. We are back with the hierarchy, the self-idealised *élite* of class and wealth, the docile middle classes, and the

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> industrious, devoted army of workers, 'All things Bright and Beautiful. . .' 'The Rich Man in his Castle, the Poor Man at his Gate. . .' 'Wider still and wider Shall thy Bounds be set. . . .' These are the songs Mr. Macmillan will lead us in, with additional verses by Sir Arthur Bryant and A. L. Rowse, and *The Times* to lead the admonitory choruses."

Lindsay Anderson is a good deal more politically conscious and more radical in his feeling than most of his colleagues, several of whom he anatomises with quite devastating effect. It is not, therefore, to denigrate what is truly progressive in the thinking and feeling of the rebels that one emphasises the point that the rebellion of the angry young men of the fifties is, by and large, every bit as class-bound, as limited by the categories of petit-bourgeois thinking as was the rebellion of the public-school boys who, led by Sir Winston Churchill's nephews, broke Out of Bounds in the thirties. And this is true of even some of the highest level progressive writing of both periods. When Doris Lessing writes in *Declaration* of the role of the writer in the present age she echoes but does not go beyond W. H. Auden's epilogue to the thirties:

> All I have is a voice
> To undo the folded lie,
> The romantic lie in the brain
> Of the sensual man-in-the-street
> And the lie of Authority
> Whose buildings grope the sky. . . .

Which is all very well as a statement of liberal individualism but left its author wide open when it came to the taking of the more difficult decisions involved in the principles and strategy of class struggle.

Liberal Individualism

Now this is not to imply that progressive middle-class intellectuals may not be admirable people who make a real and valuable contribution to the battle for human liberation. It does not imply any kind of contempt or belittling of those liberals who have honourably defended the finest liberal traditions even with their lives. But it has to be said that progressive liberal individualism—including, as it may well do, a general sympathy for socialism and even at certain times for the Communist Party—is an utterly insufficient ideological basis for coping with the world situation of the 1950s. And in the last analysis the weakness of the angry young men lies in their failure to break through the liberal individualism which is the characteristic outlook of the petit-bourgeoisie. It is perfectly true, of course, that the influence of such ideas is not by any means confined to the middle class. Just as petit-bourgeois ambitions enter very decidedly into the lives and thoughts of millions of workers, so do the attitudes of the angry young men spread, as we have seen, and find a response far beyond the middle class. But petit-bourgeois ideas and attitudes are no less petit-bourgeois because working-class people are affected by them. In an age in which the mass media of culture and information are of the sort they are today it would be astonishing if the working class were not deeply influenced by ideas and values which are at bottom crudely and obviously anti-working-class. It would be quite wrong to fail to see the extent of angry-young-man attitudes in our society; but equally wrong to allow their widespread prevalence to blind us to their actual class basis.

What is particularly interesting about almost all the characters, real and fictitious, we are particularly concerned with in this article is that they are Arts, as opposed to Science, graduates. And if their situation can only be understood in the general context of the class position of the petit bourgeoisie in mid-twentieth-century Britain, its more particular context is the condition of the Arts faculties in the British universities.

Arts and the Univerities

Until comparatively recently the mainstay of the university Arts faculties was the teaching of Classics. Today the importance of Greek and Latin has been superseded by English, Modern Languages and Philosophy, to say nothing of History, Geography and Economics which are in fact social sciences but are in practice normally included among the Arts.

It would be hard to exaggerate the unsatisfactory condition of the university Arts departments, especially so far as students are concerned. The aim of the old Classical education, in the palmy days of British imperialism, was to turn out a large non-specialist cadre of the ruling class—civil servants, administrators, business men—who, alongside the members of the specialist "professions", literally did the day-to-day work of running Britain and the Empire. Today the situation is quite different and one might have imagined that, in the modern provincial universities at least, some alternative function and philosophy for the Arts faculties might by now have been advanced. The veil of idealism which shrouds all bourgeois educational philosophy, especially in its "higher" levels, makes a realistic appraisal of the situation difficult and in fact scarcely any changes have been made. The Arts departments of the Red-brick universities have in practice adopted as

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their educational philosophy (such as it is) a slightly watered-down, mildly democratised version of the aims and values of Oxford and Cambridge. Ludicrously ignorant of modern scientific developments, many Arts men continue to persuade themselves that they have the spiritual mission of "humanising the sciences", providing a leaven of "culture" to offset the barbarism of the technologists. Since the technologists now have the money (such, again, as it is) and the Arts faculties don't, this philosophy is nowadays seldom explicitly trotted out; but it lies not far below the surface. And those Arts men whose vision of their function is more modest fail for the most part to provide a theoretical justification of their work which bears more than a tenuous or idealised relation to the facts. The inhibitions and lack of self-confidence which this situation breeds is perhaps the chief reason, incidentally, why university teachers lag so far behind other professional workers in their demands for adequate pay.

Values Rejected

Despite the denials of the theorists that an Arts education has any direct vocational significance in practice most Arts courses are in fact a form of vocational training, for the largest proportion of Arts students become teachers. For the remainder the prospects are very dubious indeed. A certain number will become civil servants, librarians, journalists, minor administrators in the world of "business". A very few get jobs in what might be called the cultural field: with the B.B.C., in the film industry, publishing, the stage, the British Council; but these are few and far between, and as often as not pretty frustrating anyhow. The truth is that in a society like mid-twentieth-century British capitalism there are few opportunities and still less inspiration for Arts students. The effect is thoroughly demoralising, and one knows from experience that it is the ablest students who become the most demoralised.

This is the background of the Jimmy Porters who, armed with three or four years of university education and probably a reasonably good second-class degree in English or History. can find nothing better to do than run a sweet-shop on somebody else's savings. The problem, it must be stressed, is not in the crude sense a purely economic one. Graduate unemployment, since the Second World War, has been minimal. Our students can get jobs. But what sort of jobs?

The intelligent Arts student feels, after a few years of university education, nothing so much as intense frustration. The gap between the aspirations and his prospects becomes wider and wider. The very knowledge of past culture which in the course of his studies he will absorb increases his dissatisfaction. More and more he comes to despise and reject the values of the society he is living in: the bankrupt cynicism of the war-threatening politicians, the go-getting ethics of the expense-account men, the pompous futility of the Establishment, the barren pedantry of many of the academic specialists, above all, perhaps, the poverty and sterility of the whole sphere of commercialised culture. If he is concerned with the Arts, what possibility has he of putting his talents at the service of humanity, of worth-while value, satisfying causes? If he has a vocation for teaching the chances are that he will feel—to say the least of it—uninspired at the prospect of contributing to the circular system that has produced his own sense of frustration, teaching others what it has bored him to learn.

The situation is the more critical because the old get-out of the middle-class intellectual—withdrawal from the real world into some kind of ivory tower, actual or imaginary—is for a variety of reasons less and less available. For one thing, against the Hydrogen bomb the ivory tower is clearly no more efficacious than the Anderson shelter. For another, the post-1954 intellectual tends to feel no more at home in the rarified atmosphere of upper-class highbrow culture than he does in the cruder world of ITV. Militant anti-snobbism, even if expressed in the public schools tones of a Lord Altrincham or a Malcolm Muggeridge, is one of the insistent banners of the angry young men. Hence, as compared with their predecessors of the thirties, the rebellious intellectuals of the fifties tend to be less precious, less cliquish, but more anarchistic.

Above Class?

This anarchism characterises even the most politically progressive of the angry young men and women. It is connected, as I have already suggested, with the failure to recognise their own class position, especially ideologically. Thus Doris Lessing, in an essay in *Declaration* which says many wise and valuable things, writes of the angry young men as "a section of the intelligentsia who are scornful of middle-class values". Now it is perfectly true that writers like Osborne and Amis are scornful of certain middle-class values; it is also true that they are far from scornful of other middle-class values, notably the individualism which permeates their writing and sometimes lends it such offensive arrogance.

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What one must quarrel with is the implication that the Osbornes and Amises, or any intellectuals or sections of the intelligentsia, are in some way above class. "The novelist," Doris Lessing writes, "talks as an individual to individuals in a small personal voice". In a sense, of course, this is indisputably true, a truism even; but surely the essential point that a progressive writer should be trying to make is that the individual is indissolubly and irrevocably a part of the social situation and, in class society, just as inevitably a part of a divided society. Once one begins, with whatever qualifications and protestations of innocence, to think of "the small personal voice" as liable to be in some basic sense opposed to or above the voice of the class with which one associates oneself one is subscribing to a way of thinking that serves only the opposing class. Once middle-class intellectuals begin seeing themselves as, somehow or other, the special purveyors of a "truth" or integrity which transcends the necessities of a particular social situation, they have at least one foot on the slippery slopes of idealism and reaction. Almost every contributor to *Declaration* uses the fact that he is a writer as a get-out from facing the political facts of life on the same level as other people. The British intellectuals of the Angry category are in some ways more class-conscious than their predecessors, in the sense that they talk more about class and recognise its existence, especially where other people are concerned. But that their class-consciousness is in fact a caste-consciousness, an awareness of the more superficial rather than the fundamental implications of class, is revealed by this very failure to examine the class basis of their own ideological position.

Now it is easy to make fun of middle-class people who have tried more or less unsuccessfully to "identify" themselves with the working class. We all know how ludicrous such attempts—and there were many of them in the thirties especially—can be. But the fact remains that unless middle-class people who want to be progressive do make a conscious attempt to identify themselves with the ideas and policies of the class-conscious working-class movement, which means in practice the Communist Party, they will simply remain middle-class people who want to be progressive, at their best spouting a lot of pious generalisations about socialist humanism. Doris Lessing refers very tellingly in her essay in *Declaration* to the "invincible British provincialism" of the Colin Wilsons of the day who are so abysmally ignorant of what is going on in the world at large. But what also must be noted is a deep-rooted individualism—invincible only in so far as it is unconscious—which is present in every single contribution to *Declaration*: least in the genuinely progressive and sympathetic articles of Doris Lessing, Lindsay Anderson and Kenneth Tynan, but infecting even these.

Now some communists will think it is wrong to put the thing this way, to criticise rather sharply people with whom we have as much in common as the last-named trio. I think it is no unfriendliness to Mrs. Lessing and Mr. Anderson and Mr. Tynan to criticise them frankly and I have more respect for them than to imagine they will think so. The unity of progressive people demands that we should unite and fight on what we agree on and at the same time frankly state our criticisms of each other's positions in order to try to reach a deeper understanding, a more thoroughgoing unity.

Communist Attitude

It is, at the same time, pointless for communists to talk about the need for the unity of progressive people for peace and social advance unless they approach with sympathy and comradeliness (I do not mean intellectual condescension or patronising complacency) the problems and people involved. As so often, there are two dangers, both real and both insidious. One is for communists to be so keen on maintaining the essence and integrity of their own class position that they show—or appear to show—very little respect and understanding for other positions, too little realisation of the common feelings and thoughts shared by all human beings struggling one way or another for decent values. The other is for communists to become so obsessed with these common feelings and the dangers of isolating themselves from the people that they lose sight of the particular and essential aspects of their own class position and ideas.

With the impulses of anger and rebellion which the frustrations of capitalist society foster in young men and women of every class, communists—it need scarcely be said—wholeheartedly associate themselves. Nor do we claim any kind of privilege or monopoly as to the strength of our feelings or the intensity and acuteness of our personal vision. No British communist poet of this century has anatomised many areas of capitalist society with an artistic insight and intensity as great as that of T. S. Eliot in his early poems, or caught the horror and the glory of human error and aspiration with the power and beauty of W. B. Yeats. Yet neither Eliot nor Yeats in his conscious ideology could be called progressive. What is fine and deep and true in

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the contributions to human understanding and progress of any person, scientist or artist, middle-class or working-class, communists salute without reservation, participating in the human triumph any real extension of man's mastery of the world and its problems involves. In this sense communists recognise and respond without reservation to the hurt and angry voices of young men expressing the frustrations of a world in crisis.

At the same time communists—and the people in general—have learned through bitter experience that personal indignation, like personal righteousness, doesn't get us far and may even seriously sidetrack useful effort. Jimmy Porter may be at least "an animal who thinks and feels, who is alive and kicking": so, one might add, is a helpless baby, ill-treated by its parents. Or, to switch metaphors, so is the man who kicks the ball into his own goal.

I think what, above all, communists have to say to the angry young men and women is to affirm with every breath and action of our beings the falsity of the popular Angry assumption that there are no brave causes left. This is the assumption, reiterated with a glib and self-pitying cynicism, that turns the just human indignation of the victims of capitalist society into a futile cul-de-sac where there is nothing to do but thumb one's nose at the world or cultivate the garden of one's semi-detached villa.

> "There aren't any good, brave causes left. If the big bang does come, and we all get killed off, it won't be in aid of the old-fashioned grand design. It'll just be for the Brave New-nothing-very-much-thank-you. . . ."

No Brave Causes Left?

The famous words from *Look Back in Anger* are echoed by Kingsley Amis's "romantic":

> ". . . Our intellectual shops around for a group and for a cause to get excited about. At some periods these things are readily available: Spain and its committees, Abyssinia, unemployment, the rise of Fascism and so on. [In 1957] When we shop around for an outlet we find there is nothing in stock."

The implications here are manifold and reflect a queer mixture of philosophic idealism and practical cynicism. There were causes in the thirties, it is suggested, with which nice idealistic young men could associate themselves without losing their political virginity. What this means in practice is that a liberal individualist could take part in the anti-fascist movement and even get a kick out of doing it without having to face all the facts of class struggle. Even this isn't historically quite true for the "disillusionment" of the left-wing middle class began even before the defeat of Fascism. It was bound to, for idealisation can only end in disillusionment and if you think of communism as a god it is only a matter of time before you are complaining that it has failed.

What Can We Believe?

The fifties are different from the thirties, yet it is interesting to observe how, over the last twenty or thirty years, the liberal intellectuals who take their stand on the most high-falutin abstract principles, have in fact swayed in every political breeze blowing from East or West. A comparison of the débâcle in the American intellectual Left in the late thirties and forties with the events in the last couple of years on the British Left is instructive. Every single argument and tendency (including a passage from communism to open bourgeois liberalism via Trotskyism) displayed in America in those days has appeared in Britain in political circumstances which are only similar in the sense that in both countries capitalism is relatively strong and the communist movement faced with shocks and difficulties. The fifties are different from the thirties. For one thing we are in a period not of general retreat and failure but—on a world scale—of phenomenal working class and colonial advance. Morally and emotionally the middle-class intellectual tends to find the former situation easier to cope with than the latter. The people of Spain may have suffered defeat and degradation; but the consciences of those who had drawn from the struggle occasional inspiration were clear, *their* hands clean; *they* can look back on Spain nostalgically. The people of Hungary live to fight another day; at a grim cost the socialist revolution has been saved: but the British liberal conscience has been outraged. No sympathy for the defenders of the revolution, pity only for those who sincerely but fatally play into the hands of counter-revolution.

And so the cry goes up: what can we believe in now? Not capitalism, of course we don't like that: not the Communist Party, tarnished with error and dogmatism: not the Labour Party whose meetings are so boring to the sophisticated and whose policy (incidentally) is scarcely distinguishable from the Tories'. The Labour Party does, of course, have the attraction that you can belong to it and thoroughly despise its leadership and policy at the same time: it does have something to offer the intellectual in that you don't need to feel responsible for what you don't like about it and can at the same time indulge your idealism in dreaming about what it might be. But the record of the Labour Party

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in Malaya and Kenya, not to mention its loyalty to the American alliance, is too much for most people who cannot stomach imperialism and what it involves. On the whole the most popular solutions among the disillusioned Left-wingers are either to withdraw from the struggle altogether or to go in for a new twopennyworth of idealism—this time of "the people" or "the working class" or even "Marxism", all carefully abstracted from their actual manifestations. And of course the only gainer is the one force no amount of idealisation can make abstract, the *status quo*. The petit-bourgeoisie are the great idealisers of capitalist democracy because the immediate results, especially in boom periods, of the particular tensions in the class struggle reached at this particular stage of social development suit them and their consciences very nicely. They would like to perpetuate a situation in which the exploiting class has been forced by working class struggle to accept certain limitations (at any rate under the noses of those who live in a metropolitan country), with the corresponding degree of irresponsibility ("freedom") which this involves for the petit-bourgeois. This is why Marxists refer to ideas and attitudes that reflect and strengthen this situation as petit-bourgeois ideas. This is why it is sad to see a fine progressive writer like Doris Lessing underwriting this view of the world (with whatever ironical overtones) when she says: "England seems to me the ideal country to live in because it is quiet and unstimulating and leaves you in peace."

Bridging the Gap

Unless the overall social and political understanding of those whom it has been convenient (granted the complexities of the problem) to refer to in this article as angry young men is deeply modified, it has to be recognised—without beating about the bush—that their indignation is largely fatuous and their idealism mainly phoney. That is why it is no help to them or to the British people in general to express one's degree of solidarity with them in ways which in practice help to confirm them in what is unsatisfactory in their attitudes. The bare truth is that there *is* no cause today with which humane and progressive people can deeply and effectively associate themselves but the cause of the socialist revolution led by the Communist Party. The peace movement is a great and essential movement without which all talk of the future is mere academic speculation; all communists regard their work for it as their major priority: but the peace movement is a coming-together of people with different aims and philosophies, it is not an *alternative* to the socialist revolution or to the battle for socialist ideas. There is no alternative in the national sphere to the building of the Communist Party, the patient explanation and continuous activity involved in the winning of the people to an understanding of the need and role of such a Party, for without a strong Communist Party there will never be socialism in Britain. There is no alternative internationally to an understanding of the role of the communist movement and of the Soviet Union in particular. Unless you correctly assess who are your friends and who your enemies you cannot make any decisions, moral or tactical, which stand up to the test of life.

Therefore, although there is always room for compromise in order to build necessary unity on particular actions and programmes, there is no room for compromise on the basic ideological and political stand of the Communist Party. We cannot and will not modify the Marxist principles or disciplined structure of the Party to accommodate those who find it hard to reconcile themselves to the realities of the political position of the world in general and capitalist Britain in particular in 1958, for to do so would be the ultimate and unforgivable betrayal of the British people, to say nothing of truth and principle. The problem therefore is not how to modify our Party's analysis and principles in order to make them more acceptable to fairly well-disposed people, but how to find means of bridging the considerable gap which undoubtedly exists between the outlook of Marxists and that of progressive non-communist intellectuals. And this will be done partly through discussion and arguments, friendly but sometimes tough intellectually, and partly in action—working together especially for the preservation of peace, the banning once for all of the unspeakable war-weapons of the nuclear age; and for other causes—the national liberation of the colonial peoples, the need for vast and fundamental improvements in our education and health services, the prevention of a new slump, the ending of Toryism—upon which in practice we agree. Communists hate and always try to fight what we call sectarianism—behaviour which unnecessarily separates us off from the very people with whom we feel most in common. We do not think we are holier than other people. And if we believe, as we do, that we are more right in our interpretation of the world than other people and better able to change it, such a claim can only be tested in rational argument based on the experiences and actions of actual life.

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Capitalism, Socialism and the Middle Classes

Andrew Grant

(The author of this article has written a book called "Socialism and the Middle Classes", which will be published shortly by Lawrence and Wishart, price 15s.)

ONE of the principal features of Marxism, in contrast to many other socialist outlooks, is the analysis it makes of classes and the care with which it seeks to develop, in each country in accordance with the actual circumstances, an alliance of classes and strata, led by the working class, as a means of overcoming capitalism and commencing to build a socialist society.

This article is written with the purpose in mind of throwing more light on questions of classes in Britain in order that a beginning can be made in formulating more distinctly the possible character of any alliance of classes and strata of the British people in their move forward towards socialism.

In any country the question of allies for the working class is fundamental for charting the road to socialism. In most of the countries where a peasantry form a large proportion of the population it is the key issue. A special contribution of the Russian Marxists was that they solved this problem of class alliance theoretically, in terms of Russian conditions, early in the 1900s and were then able to carry through in practice the alliance between proletariat and peasantry without which the Russian Revolution could not have been carried through in 1917. In doing so, of course, they developed a very rough pattern of class alliance for any country with a comparable class structure. There seems little doubt, however, that before the Second World War and even since many Marxist Parties have been too rigid in their interpretation of Russian experience, insufficiently taking into account vital economic, social and political differences.

Undoubtedly the progress towards socialism has been held back in the capitalist countries which became imperialist powers. In particular, the working class movements became tainted with imperialist ideas and embraced theories of gradual development to socialism through accumulated reform within the framework of a capitalist system. It was exactly a hundred years ago that Engels wrote to Marx from Manchester:

> ". . . the English proletariat is actually becoming more and more bourgeois, so that this most bourgeois of all nations is apparently aiming ultimately at the possession of a bourgeois aristocracy and a bourgeois proletariat *as well as* a bourgeoisie. For a nation which exploits the whole world this is of course to a certain extent justifiable." (*Marx and Engels on Britain,* October 7th, 1858.)

Reformist Theories

This phase of the domination of Labour movements by reformism has occurred in varying degrees in every Western European country and is still dominant in many of them. It has led to many erroneous ideas being propagated about class structures and their future trends. There has been a sustained attack by reformist theoreticians against Marx's main contentions about classes under capitalism. Claims have been made that these conclusions are now outdated, that things are different now, classes are disappearing and the capitalist and working classes are now a myth; we are now all in one great "middle class" . . . and so on and so forth. As it has been put by one of the principal theoreticians of the right in the Labour movement in Britain, C. A. R. Crosland:

> "the last century has witnessed a rapid growth of service occupations (professions, administration, entertainment, and so on) which have no contact at all with the physical means of production. Even within manufacturing industry, the growth of scale and the increasing technical complexity of production has enormously multiplied the number of (especially managerial and technical) skills, so that the labour force no longer constitutes a clear-cut proletarian class. (Automation of course will reinforce this trend.) Thus so far from polarisation having occurred, we see a growing proliferation of middle, neither proletarian nor capitalist, classes; . . ." (*The Future of Socialism,* 1956.)

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Because of the confusion sown in the Labour movement by C. A. R. Crosland and others it is worth while restating, albeit in the briefest form, the scientific socialist position in relation to classes under capitalism.

Classes are real and exist in fact even though they are by their very nature intangible and generalised. No one has ever "seen" or "felt" a class although the manifestations of class relationships can be seen or felt.

Marxist Conception

Classes are based on the economic relations between men and the means of production. There are many manifestations of class—class consciousness, social snobbery, accents, clothes, incomes and attitudes. All of them are secondary and derivative from the fact that classes actually exist.

In modern capitalist society there is still in operation a tendency inherent within capitalism throughout its entire existence to crystallisation into only two classes—those that own the means of production and those that rely for their livelihood on selling their working power to an employer. Far from diminishing in the last thirty years, this tendency has been intensified so that in Britain today, the overwhelming majority of the occupied population are employees, whether they are paid wages or salaries.

However, despite the process of polarisation into two classes, nowhere in the capitalist world so far has this produced a "pure" condition. A number of middle groups remain especially in those countries where agriculture is the livelihood of a large proportion of the working population.

In Britain the virtual absence of peasant agriculture together with the highly concentrated form of industry have produced a relatively simplified class structure. Nevertheless a considerable middle strata remains, and its size, the groupings within it and the issues facing it must be clearly understood so that the Labour movement can take the necessary steps to bring this all-important alliance between working class and middle strata into being.

Groupings within the Middle Strata

This middle strata is not one tight, homogeneous class but contains within it a number of groupings that differ widely in many respects from each other. These groupings might conveniently be assembled to fall within three main categories: the blackcoated workers in offices and shops who are really an integral part of the working class but will not as yet accept the fact; the small producing and trading sections, including working farmers, shopkeepers, the self-employed, the smaller factory owners, small businessmen and most managers; the professions—the so-called "higher" professions which are mainly the older professions and the "lower" professions like teaching, science, engineering and the rapidly expanding body of technicians of all sorts.

Blackcoated Workers

Taking clerks and shop assistants first, these callings were in the middle of the 19th century considered infinitely superior to manual work in industry. A clerk was a man of letters while a shop assistant was almost a gentleman who went about his work in a high stiff white collar and pin-striped trousers. The twentieth century saw a rapid change in status of these two sections. Mechanisation has now taken a firm grip in offices although this process started a long time ago with the introduction of the typewriter and the introduction of women on a large scale into office work. Similarly the daily routine of most shop assistants now consists of dispensing pre-packaged goods over the counter. With the comparatively recent development of various forms of *self-service* which have spread rapidly into most spheres of retail distribution, the work of the shop assistant consists more and more of stocking shelves or counters and taking cash. Today the majority of clerks and the majority of shop assistants are women. The census statistics show that men ceased to have a majority among clerks at some time between 1931 and 1951. Moreover, despite the very big increase in the proportion of occupied population engaging in clerical occupation—which is often used as an argument to show how the "middle class" is expanding—the number of male clerks has been *declining* as a proportion of the occupied population during the last twenty-five years. In relation to the average industrial wage the earnings of clerks and shop assistants have been going down for a long time, particularly as the industrial worker, being more highly organised in trade unions, is able more successfully to push his wages up to try and catch the rising cost of living. So that clerks and shop assistants cannot be regarded as "middle class" even though many of them may not as yet accept their working class status.

Small Producers and Traders

The small producing and small trading petit-bourgeosie is in a different position altogether. Attempts have been made almost without number to attribute to Marx the view that the concentration of capital into fewer and fewer hands would mean the disappearance of the petit-bourgeoisie; Marx thus, it is said, was wrong about the petit-

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bourgeoisie and, therefore, could have had no idea what to do if confronted with our modern, vastly expanded "middle class". Marx certainly did foresee that the tendency inherent in modern capitalism was to concentrate wealth and power into fewer and fewer hands and that this would be done at the expense of many in the *former* petit-bourgeoisie, but he also saw that capitalist development was never likely to be 100 per cent pure in form and that new petit-bourgeois sections would take the place of the old:

> "In England, modern society is indisputably developed most highly and classically in its economic structure. Nevertheless the stratification of classes does not appear in its pure form even there. Middle and transitional stages obliterate even here all definite boundaries, although much less in the rural districts than in the cities." (*Capital,* Volume III.)
>
> "In countries where modern civilisation has become fully developed, a new class of petit-bourgeoisie has been formed, fluctuating between proletariat and bourgeoisie, and ever renewing itself as a supplementary part of bourgeois society." (*Communist Manifesto,* Part III.)

Numerically, the small producing and small trading section have been declining in Britain as a proportion of the occupied population for many years. The late Dr. Klingender, a sociologist of some repute at Hull University, in his book *Conditions of Clerical Labour in Britain,* made some calculations of the proportions of the occupied population in various middle strata categories from the 1851 Census. Comparing his estimates with the approximate position today as shown by the last Census in 1951 we get the following picture in Britain:

	1851	1951
	percentage	
Employers	8.1	2.0
Managers }	1.0	3.3
Higher officials }		0.7
Self-employed ..	4.5	5.0
Professions	2.6	5.9
Total % of Occupied Population	16.2	16.9

The proportion of employers has of course gone down with the increased concentration of industry and commerce. Of the managers, nearly all of whom will be salaried, a small proportion will also be directors and employers as well. The majority will be managers of branches of firms, works managers, office managers etc. This can be seen from the breakdown given in the 1951 Census, 1 per cent Sampling, of the 748,200 managers in Britain into 185,000 "General Managers, Directors, etc." and 562,800 managers of "branch, office, primary and subsidiary departments".

The above comparison shows quite clearly that taking the capitalist class and the middle sections together there is in fact very little change in their proportion of the occupied population in the course of the last hundred years so that the claim for a vast expansion of the middle strata has no basis in fact. However, although the total proportion remains roughly the same there has been a decisive shift away from employers towards the professions and managers. This is of great importance because it has created a position where a large proportion of the sections intermediate between capitalist and working classes consist of people who never hope or even consider a future of earning their living through ownership and "building a business". This is particularly true in the professions today, now the largest and most influential grouping among the middle strata, who are overwhelmingly salaried employees. While many in the professions may still look with nostalgia at the "good old days" when large numbers of professional people were part of the petit-bourgeoisie, receiving fees for their particular skill, most of them are beginning to realise that those days are gone and will never return.

It will of course be the petit-bourgeoisie who will be the most difficult grouping to detach from their traditional support of capitalism. Nevertheless, the experiences in China show that it is fully possible to win support of substantial numbers of them for socialism, but only on the basis of providing them with reasonable economic alternatives and ensuring a gradual and voluntary integration of small production and small business into a socialist-type economy.

The Professions

It is the professions that are the most rapidly expanding section of the middle strata in Britain, ranging from those established hundreds of years ago—the Church, law and medicine—to a vast range of new technological professions established during this century. During the thirty years between 1921 and 1951 the numbers in the professions increased by about 84 per cent while the increase in the occupied population was only in the region of 19 per cent. The expansion did not take place in the older professions, but in the newer and mainly the more technical professions. Comparing the Census returns of 1921 with 1951 for England and Wales we find that the numbers in the scientific professions have increased from 17,100 to 109,500, an increase of 640 per cent; engineering, surveying and architectural professions have increased from 31,500 to 126,000, an

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increase of 400 per cent, and now number approximately the same as those of the Church, law and medicine added together.

There were in 1951 about 1,400,000 in the professions in Britain, of whom 87.7 per cent were employees, 6.3 per cent self-employed, 3 per cent managers and 3 per cent employers; only in the legal profession were the employees a minority—42 per cent, while in medicine it was 50 per cent employees and 50 per cent self-employed or employers. Today, therefore, nearly 90 per cent of those in the professions are salaried employees with little thought of running their own businesses. They are rapidly becoming more aware of the need to organise into trade unions or in organisations that tend to combine the functions of a trade union and a professional organisation into one (the National Union of Teachers, Equity and the National Union of Journalists are examples of this type).

Therefore, when we exclude the relatively small capitalist class, we have a middle strata in Britain which consists very roughly of about 300,000 small employers, 650,000 managers, 1,124,000 self-employed and 1,400,000 in the professions—a total of about 3,500,000 out of an occupied population in 1951 of about 22,500,000 or about 16 per cent of the total. Apart from a small capitalist class—about 1-2 per cent of the occupied population—the remainder are the working class with a large and highly organised trade union movement catering for about half of them but still with many millions as yet unorganised.

Socialist Policy can win their Support

The middle strata is thus nowhere near as large as some people would have us believe nor is it expanding as a proportion of the population at the expense of the proportion making up the working class. The entire character of the middle strata in Britain is in process of very rapid change and whole sections of it—in the professions in particular—are being brought closer to the working class. Not only are they becoming more highly organised but beginning to consider more militant forms of action which have hitherto been regarded as forms confined to the working class alone. The token strikes and demonstrations of teachers over salaries and conditions and the threats of sanctions by doctors if higher salaries are not forthcoming are not isolated examples of this tendency.

What is to be the attitude of the Labour movement to the middle strata? Is it to remain as before with pious talk of sacrifices coupled with crudities about those not in the working class not being worth "a tinker's cuss"? Or is the Labour movement going to take seriously its task of winning the middle strata as allies for the working class?

What is the present political position of the middle strata? There can be little doubt that, taking the middle strata as a whole the majority can be considered as supporting the right. The most detailed information available is contained in a study of how the "middle class" vote by Dr. John Bonham which contains a detailed analysis of public opinion polls at the 1945, 1950 and 1951 General Elections based on occupations. Dr. Bonham[1] estimated that the Labour voters at the 1951 General Election among all *business and managerial sections* was 560,000 compared with 3,090,000 for the Conservative Party; among all the *professional and higher office sections* he estimated the Labour vote in 1951 as 540,000 compared with 1,630,000 for the Conservative Party. Moreover, if Dr. Bonham's estimates are anywhere near the mark, Labour's proportion of this "middle class vote" fell considerably from its peak in 1945: *Business and managerial*: Labour 750,000, Conservative 2,370,000; *Professional and higher office sections*: Labour 670,000 and Conservative 1,630,000.

Labour's Approach

There is little doubt that the efforts made by the Conservative Party both in the field of propaganda and in the form of various economic incentives offered by Conservative governments when "middle class" support wavers have played a big part in retaining the support of the majority of the middle sections for the right. But years of neglect by the left, frequent outbursts of syndicalist crudities by some leaders of the Labour movement as well as pompous and platitudinous appeals by others, have all been factors which have made it a great deal easier for the Conservative Party to retain the majority support of the middle strata.

The fact that the majority of the middle strata are not yet convinced supporters of socialism does not mean that their support cannot be won in the future. On the contrary, given a more correct and sympathetic approach by the Labour movement their support in far larger numbers is assured; for the concentration of private industry and agriculture into fewer and fewer hands continues and widens the gulf between employers and employed while at the same time the small employers find themselves face to face with monopoly capitalism which they increasingly are coming to recognise as their main enemy.

[1] *The Middle Class Vote*. Dr. John Bonham, 1954.

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The cornerstone of socialism remains the transference of ownership of the means of production, distribution and exchange from the capitalist class to the people—the working class and the middle strata. The carrying through of such a policy of social ownership in a country like Britain would demand a tremendous amount of flexibility, patience and understanding in relation to the small trading, small manufacturing and farming sections. The most important thing is that such a policy of social ownership could be an immense liberating force for the middle strata. The tolerance and patience which a socialist government could afford to show would enable many small businesses to flourish as never before, freed from the shackling effect of big business with its control of supplies and of profit margins, its advertising and coupon "wars", its price rings and restrictive practices.

For the salaried professional, technical and clerical groups, socialism offers scope for initiative and ability which, although so often on the lips of the spokesmen of capitalist industry and commerce, seems, for the aspiring technical or professional person, to be always "round the corner".

Socialism and the Middle Classes

Unfortunately there is a widespread conception among the middle strata that socialism would mean for them less freedom and loss of individuality, as well as subjection to a vast civil service bureaucracy and state interference on a grand scale. This has always been the main line of propaganda directed towards the middle sections by the capitalist class. Yet in Britain under capitalism the degree of bureaucracy is so considerable as to be generally accepted as a normal part of life. It is necessary for the socialist movement to declare itself in no uncertain terms in favour of waging war against bureaucracy and the excesses of officialdom not only in the field of the civil service and local government but also in the whole wider commercial and industrial field. Socialism should mean the working people fully governing themselves for the first time, and only under such conditions is there any possibility of getting rid of bureaucracy which thrives in a capitalist society.

The danger undoubtedy exists that a socialist society will not easily rid itself of the bureaucratic practices it inherits from capitalism. Recent events in Eastern Europe and the Soviet Union have shown that the continuance of such practices, besides being morally indefensible, can have very serious consequences and retard the development of socialism. However, the essential point to be seen is that despite the mistakes made it should be possible for bureaucracy, a product of their capitalist past, to be overcome in time in these countries because the will is there to overcome it. In capitalist society, on the other hand, bureaucracy is the natural manifestation of the rule of monopoly capitalism over the rest of the people, so that no serious attempt is ever made to end it; even though some of the worst cases become public scandals, the bureaucracy at the root of them remains.

On many of the broad political and ideological issues which should form part of socialist policy in Britain today there is already among the middle strata a fund of support. Many in these sections feel strongly on the questions of peace, banning weapons of mass destruction and stopping the use of Britain as a rocket base; others feel strongly that civil liberties must be defended against the growing powers of the police, judiciary and M.I.5; the vast extension of monopoly in the dissemination of information by press, radio and television is also seen among many in the middle sections as leading to a docile and drugged electorate; there is also a broad measure of agreement on the need to abolish all forms of racial discrimination and colour-bar and to reform our penal system, including the abolition of capital punishment. Colonialism arouses widespread condemnation among many in the middle sections and there is also concern, particularly among those in the professions, at the degradation of British culture and the rule of commercialism in so many of the cultural fields; there is a considerable body of support for the expansion of the social services and opposition to Government cuts; there is also strong support for the raising of the general educational level of the whole population and for a vast expansion of scientific and technological education.

All these issues, of course, do not strike all within the middle strata with equal force. Some of these issues, for example the degradation of the British cultural heritage, arouse much stronger feelings among those in the professions than in the trading and producing sections. It is those in the professions who are most concerned about the ideological issues, but such questions also cause concern among many of those in other sections because of the relatively higher educational level which tends to prevail among them.

At the same time nearly all sections of the middle strata can have an economic incentive for the ending of capitalism and the establishment of a planned society in which production could be enormously increased and living standards raised. It must become part and parcel of the policy of the Labour movement that socialism means. using the phrase of Marx: "from each according

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to his ability, to each according to his work." Socialism does not mean everybody should become equal except in the sense of equality of opportunity; the equalitarianism which has crept back more strongly into the Labour movement of late belongs more properly to the utopian concepts of socialism which abounded in the nineteenth century as visions to spur men on before it was on the agenda as an immediate objective. Even if it was ideally desirable to equalise incomes for all types of work in a socialist society it would not be practical politics. The Labour movement must help the middle sections to achieve higher living standards as well as the working class; this is the only really solid basis for winning the middle strata as allies of the working class. More than at any time in the past these sections have, since the Second World War, become almost universally concerned about economic issues as well as the political and ideological ones, and as a result, are more ready to come closer to the Labour movement.

Building the Alliance

A new orientation is badly needed among the progressives in the middle strata who could be making much greater and more confident efforts to gain the support of their colleagues for socialist ideas. For a long time now, there have been strong trends among those in these sections of left-wing views to abandon the middle strata and seek to merge themselves in the working class movement. This point of view is expressed by one of the principal "Angry Young Men", Kingsley Amis, in a pamphlet he wrote for the Fabian Society. He is speaking of "intellectuals" who he defines very broadly to include most of those in the professions.

> "But I do sometimes feel that if, as the evidence seems to show, many of them have moved over to the right, or at least away from the left, then this is not necessarily unmixed loss to the left. These fellows represent after all a tiny fraction of the voting strength and we can well afford to do without a great deal of their conversation." (*Socialism and the Intellectuals*, 1957.)

This kind of approach is unfortunately not unique. There is a considerable underestimation in the Labour movement of the vital importance for British socialism of gaining ground among the intellectual sections as well as among the entire middle strata. Sound analysis of the actual political and economic position of these sections is needed with both the positive and negative factors being taken fully into account. On this basis the Labour movement can then take determined action to end the divorcement of the middle strata from the working class which is fraught with such dangers for socialism in a country like Britain.

Many writers, journalists, artists and other professional and business people do work both of a specialist and a non-specialist character which assists the Labour movement enormously. But in the main they still continue to neglect their own sections of the middle strata, playing a relatively small part if at all in professional or trade organisations and being content to categorise their colleagues as "reactionary" or even "bourgeois". This applies particularly of course to the small-producing, trading and business sections where the going is likely to be hardest of all. But to win the middle strata for socialism on any appreciable scale requires that the left among them must devote much of their political activity to this task. Greater help and encouragement to do so from the Labour movement would be a powerful stimulant, but only those that are themselves a part of the middle strata can make the intimate contact with their colleagues and business associates that will be needed. This means in particular that the organisations of the middle sections, including the professional institutes, trade associations and even the Rotary Clubs and Chambers of Commerce have to be seen in a different light; for these together with the growing trade union forms of organisation are the mass organisation of the middle strata. Gradually it could be possible to reduce the existing propensity of such organisations for supporting the right and in many ways to ensure that they exert a progressive influence. In this way the whole political climate among these sections could gradually undergo a change and socialist ideas would be able to forge to the front. This could turn out to be nowhere near the formidable task it might appear at first sight. There can be no evolvement of the middle sections on a large-scale without this process being started in a determined way by the left among the middle strata, helped and encouraged constantly by the Labour movement.

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Unions and Political Action

John Wood

(This is the first of a series of articles on problems of British Trade Unionism)

AT this moment when five million trade unionists are demanding wage increases in order to maintain their standard of living, and when the Tory Government has intervened in the working of the conciliation machinery by declaring a "No Wage Increase" policy, it is surely time for the T.U.C. to change its attitude on how to use its industrial strength to defeat this Tory policy.

To continue saying "we cannot use our industrial power for political ends" is running away from the class struggle openly waged by Macmillan and his Tory Government. The Tory refusal to operate the Tribunal Award which granted a 3 per cent increase to Health Service workers, and their open flouting of the agreed Court of Enquiry into the claim for 25s. per week increase on behalf of the London busmen is surely to be seen as *the use of political power for industrial ends.*

By these actions the Tories have declared war on the industrial workers. And when it is realised that in 1957 profits were higher than ever this should be sufficient to alert the movement to the vicious class struggles looming ahead, and the need to trim our policies to meet such a challenge.

An Attack upon One is an Attack upon All

It should not be left for each *individual* trade union to join the struggle with the bosses and the Tory Government, without having beforehand the knowledge that they have the moral, financial and active support when necessary in order to defeat this wage freeze. In order to develop a policy of unity in action the T.U.C. should immediately convene a Special Congress which should have as its agenda how to meet this challenge of wage freeze, unemployment and worsening living standards by the Tory Government.

This should be followed up in the country through the respective trade unions and their local Branches and Lodges. It should not be simply a Triple Alliance as operated prior to 1926 but the solid unity of the whole movement. This reply is necessary to meet the open class challenge of the boss class and their Tory Government. Let our policy be based on "an attack upon one is an attack upon us all".

In formulating a policy of *defence*, we should also formulate our policy of *attack*, which would be based upon the removal of all bans on trade with the Soviet Union, People's China and the people's democracies, freedom from trading and financial restrictions placed upon Britain by America, and a vast reduction of Britain's arms expenditure. Such a policy would rouse the working class to the extent of ensuring the defeat of Macmillan and his Tory Government.

United Front

But such a United Front cannot be kept only to the trade union movement, it must include the political wing—the Labour Party.

Yes, Parliamentary democracy must be safeguarded but it must be a democracy based upon a class understanding. In building this real united front of the trade unions and the Labour Party, it would be a betrayal of the class struggle to continue with the policy of bans and proscriptions.

The Boss and the Tory Government are not differentiating when they say "no" to the demands of the workers, whether it be wages, shorter hours or increased Old Age Pensions.

This, however, is the immediate "bread and butter" issue, but victory on these issues can be assured when we declare that it is necessary and correct to use our industrial power for political ends.

A victory now for these five million trade unionists can mean the defeat of Macmillan and his Tory Government. This should lead the movement into a serious discussion as to the road that must be traversed, in order to reach our goal of socialism. There has got to be a reappraisal of the policy of "buying shares" as outlined in the Labour Party policy statement, *Industry and Society*. It is clearly recognised now, that capitalism in Britain can be defeated by an open policy of "nationalisation".

Nationalisation

It is correct to say that the nationalised boards for coal and railways have also declared a wage war on the workers, but this should not lead us into the position of throwing overboard the principles of nationalisation. The present attitude only emphasises the need to have a correct policy of nationalisation, the policy of *socialist nationalisation* as outlined in the *British*

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Road to Socialism, the policy of the British Communist Party:

> "Industry cannot be run at the same time for the profit of private shareholders and for the good of the whole people."
>
> "What is produced, how much is produced, what price it is sold at and in what market—all these decisions must be taken away from big business and entrusted to public authorities fully answerable to the people themselves."

The above should be contrasted with the principles enunciated in the Nationalisation Acts of 1946, which lay down that the first charge on these industries is, in good years or bad years, the amount payable by way of "compensation". "Royalties" and "loss of office" must be met at all costs. Hence one of the reasons that in almost every year, with the exception of the first, the Coal Board has had an operative profit but a "trading loss". The other main reason is that the present form of nationalisation being "capitalist" nationalisation involves the production of cheap "raw material" for the private capitalist sector, thereby allowing them to reap higher and higher profits.

Return to a Socialist Policy

Capitalist nationalisation is a means of further capitalist exploitation, and all planning is turned towards that end. There is no democratic form of ownership or control, but the opposite, when we at present see Sir James Bowman, Chairman of the National Coal Board, ex-Vice-President of the National Union of Mineworkers, along with Mr. James Crawford, Industrial Relations Director, ex-T.U.C., and Boot and Shoe Operatives, carrying out the policy of the most vicious anti-working-class government that Britain has seen for some years.

The working class does and has always recognised that its emancipation lies along the road to Socialism, but the cornerstone of the economic policy of a Socialist Government must therefore be Socialist Nationalisation, whose immediate objectives are:

> "To extend democratic forms of ownership and control over the key industrial and financial centres of power in this country, which are at present held by the big monopolies.
>
> "To free the working class from capitalist exploitation and to release its energies for the building of socialism.
>
> "To make economic planning a reality and lay the basis for a great advance in the living conditions of the people."

The stage is set by which a real unity can lay the first step along the road to Socialism if we would base our approach on the objects of the Labour Party:

> "to secure for the workers by hand and brain the full fruits of their industry and the most equitable distribution thereof, that may be possible, upon the basis of the common ownership of the means of production, distribution and exchange, and the best obtainable system of popular administration and control of each industry or service,"

and the objects of the Trade Union Congress:

> "Public ownership and control of the natural resources and of services, nationalisation of land, mines, minerals; nationalisation of railways; the extension of State and Municipal enterprise for the provision of social necessities and services.
>
> "Proper provision for the adequate participation of the workers in the control and management of public services and industry."

As already stated, however, much work has now to be done, and done quickly in order to revise the Policy Statement—*Industry and Society*—passed by the Labour Party conference in 1957, which is a betrayal of the already agreed "Objects" of the Labour Party. It is in this aspect of political work that the individual trade union can play the important role of bringing the movement back on balance.

This is possible when we realise that the T.U.C. in 1957 rededicated itself to its "Objects" and public ownership, when it declared its policy, "the transition of the economic system from unregulated private enterprise to public ownership and public control". The T.U.C. also declared: "The only alternative to public control is the increasing concentration of economic power in the hands of private persons and groups owing no responsibility to the community."

Local Action

In order to build the unity necessary to get the political and industrial wings of the movement working towards the common goal of Socialism, much thought has to be given to the development of local activity. The trade union branches must play their correct role in the Local and Constituency Labour Parties.

It is necessary to transfer industrial thinking into political activity and vice-versa, and this can be done when both wings work in unison at local level. This is but one step from the place of work, where there is no such thing as a policy of bans and proscriptions, so if a close inter-relationship is developed between the trade union and Local Labour Party, the fallacy of "bans and proscriptions" is more readily seen.

This is where policy should and can be made.

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Here are the miner, shipyard worker, foundry worker, dock worker, agricultural worker, professional worker, shop worker, and housewife; they are at present faced with no alternative but to use their collective strength in the industrial field and in the political field if they are to defeat the attack upon their living standards which has been launched by this Tory Government, the instrument of big business and finance.

Standing in unison with these struggles is the fight for world peace, for international understanding and friendship.

This is but the other side of the same medal. The working class wants a world free from the fear and danger of war; they want to bring up their families in an atmosphere of peace. They have made this abundantly clear to this Tory Government by declaring against rocket sites being built in our country.

But it will again be a weakness in our fight for a world of peace if we allow our ranks to be divided by bans and proscriptions. Here is where at work place and local level the foundation can be again laid for unity, based upon the common understanding that this moment of supreme opportunity has to be grasped. As the Communist Party has said:

> "What is at stake is not just the negative issue of clearing out the Tories, but also the nature of the new Labour Government—to ensure that it is one that marks a new stage in the struggle by the nature of its militant programme."

The basis for such a programme is already here if we are prepared to fight for the common objects of the Labour and trade union movement, for the removal of all "bans and proscriptions", for a real unity based upon a policy of world peace, international friendship and understanding and the development of our British Road to Socialism.

Factors Affecting the Duration of the Trade Cycle

Ron Bellamy

This article grew up as part of the Report of the Economic Sub-Committee of the Communist Party on *The Trade Cycle in Post-War Capitalism*, and its theoretical argument, here made somewhat abstractly, is clearer if taken in conjunction with the concrete detailed application of it which is contained in that Report. (See *World News*, No. 4 dated January 25th, 1958.)

The feature of the post-war cycle which above all demands explanation is the length of the boom —why it is that the open outbreak of the contradiction between the productive forces and the social relations in the form of an economic crisis has been so long postponed.

Such an explanation must attempt to answer two questions. It must suggest, first, why, *in general* (that is, over the whole history of industrial capitalism), the cycle of reproduction of capital (M-C-M^1) has continued at an enlarged rate for roughly four years, or, to put the matter in another way, why booms have lasted four years, and not four months or forty years. Marxist writing on crises of general overproduction has been primarily (and rightly) concerned with why they occurred, with establishing the links in the chain of causation. But it must ask also what are the general determinants of the length of that chain.

It must suggest, second, what in the context of post-war capitalism has altered these determinants so as to prolong the boom. Is it temporary abnormalities, or new features of more lasting character?

To this second group of questions the Report attempted a detailed answer. In this article the first group of more general questions is considered in order to provide tools of analysis necessary for the preparing of that answer.

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THE central problem is why, during the post-war period, there has arisen no crisis of *general* over-production, nothing akin to a slump with mass unemployment. We shall take for granted the Marxist explanation of the basic causes of crises of general over-production in order to concentrate attention upon the length of the cycle comprising boom and slump, and especially upon the factors which affect the length of the boom phase itself.

I. VARIATIONS IN THE LENGTH OF THE CYCLE AND THEIR CAUSES

The average length of the thirteen major cycles between 1825 and 1937 was about eight-and-a-half years, though they ranged in length from eleven to six years. The length of the depression phase, between crisis and recovery, was attributed by Marx, in an incompletely worked-out suggestion, to the time taken for the capital stock built up during the previous recovery and boom to be depleted through wear and tear and non-replacement to a point where it could not cope adequately with even the low levels of production prevailing in the depression phase. The length of the recovery and boom phases (which we shall refer to usually together as the boom) is more complicated, for a boom has certain special features which make it impossible to treat it simply as a depression in reverse.

During a depression production falls off very markedly and large quantities of capital lie idle. In the recovery and boom, when it becomes profitable for the capitalists to instal new plant and machinery, the production and installation of such equipment takes time. The time-lag between the decision to order a new power station or a steel works and its final completion may be more than three years; for a pit it may be eight years; a factory or office building one or two years; for a ship perhaps three years, and so on. During this period, the workers who are transferred from unemployment to the production of the new capital goods will spend their increased purchasing power upon consumer goods. The increased demand for these will stimulate capitalists to expand their productive capacity further.

There is therefore a process of mutual stimulation between increases in consumption and increases in investment. This process is usually further accelerated by two other influences—*first*, by the additional purchasing power created by the banking system through expanded loans to capitalists, and, *second*, through the speculative buying of raw materials, semi-finished, and finished goods. For, as the prices of these rise during the boom, it becomes profitable to buy now rather than later.

This process of expansion of the productive forces would have as an ultimate upper limit that level of production which could be achieved by the full utilisation of all the existing reserves of labour and by the raising of the productivity of labour. This upper limit is not, however, usually reached. For in a system of capitalist production relations there is also a limit imposed by the failure of demand to expand fast enough to absorb, at an adequate rate of profit, the expanding output.

These general principles serve as an introduction to a more detailed consideration of other influences which contribute to determining the length of particular booms.

II. FACTORS WHICH PROLONG A BOOM

(*a*) If there exists purchasing power in addition to that which capitalists and workers derive from current production, it can postpone the open outbreak of the contradiction between the producing and consuming power of society. Such additional purchasing power, which we shall call excess demand, may arise in several ways. In a developed capitalist economy the creation of credit by the banking system, as well as by the distributive and trading system, adds to the funds available to capitalists. Under state monopoly capitalism the creation of credit for the government by the banking system or the simple printing of money by the state itself may both be used as a means to finance the deficit in state revenue when the state expands its expenditure without corresponding increases in taxation or in borrowing from the public. This last form of excess demand, rare and temporary in nineteenth-century *laissez-faire* economies, is of growing importance when capitalism faces its general crisis. (See section III below.)

Excess demand may also arise from the accumulated savings of past periods now available for spending by consumers or from the expansion of hire purchase and mortgage credit.

In the international market, likewise, the accumulated savings of some countries (e.g. the sterling balances possessed by British Commonwealth and colonial countries) provide a reservoir of excess demand.

Such national and international reserves can, if released slowly, bolster up the level of demand which might otherwise sag. They can do so, however, only for a time. For they create, in an unregulated capitalist market, the conditions for their own destruction. If there is not yet full employment, they tend to create it; if there is, production bottlenecks in some sectors of the economy will prevent all demands being met at the ruling level of prices. If prices are free, they will rise, and the purchasing power will be quickly absorbed. (Both internal accumulated savings and

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the credits granted to Britain in 1946 were rapidly swallowed up in the U.S. inflation of 1946-48.) But if, for political reasons, price control or physical allocation schemes are in operation, the price increases will be of more limited extent, and some of the purchasers whose wants are not met will transfer their purchasing power into the next period, where it will provide continued support for the boom.

(*b*) We must consider next factors providing extra stimulus for capitalist investment in plant, buildings, and stocks. Considerable stress has been laid, in the earlier *Marxism Today* discussion on the theory of crises, upon the effects both of technological innovation and of internal self-financing by large firms.

The later stages of a boom may well be accompanied by scarce and dear labour, especially if trade unions are well organised and militant. The capitalists' ever-present desire to cut labour costs can be fulfilled under such conditions only by the more rapid installation of labour-saving machinery. If the stimulus is intense and prolonged enough to provide the basis for widespread technological innovation, then the industries concerned with the production of capital goods will have a further incentive for expansion, and expansion not immediately related to the size of the market for consumption goods. Such a drive by the capitalists to instal more modern equipment is clearly affected not only by the relationship of capital to labour at home but also by the intensity and forms of the inter-capitalist antagonisms at home and abroad. The growing intensity of the latter, as boom conditions slacken, may perhaps accelerate for a while the rate of new investment, but it seems unlikely to do so once considerable excess capacity has appeared (cf. the discussions now in progress about the plans for British Steel, and also the dilemma facing the recently modernised motor car plants). It should also be noted that labour-saving machinery is not *always* capital-using—that is, the new machine is not always more costly (in real terms) than that which it replaces, especially if the technological revolution is general, embracing also the machine-building industries. (Or to put the matter in Marxist terms, the *technical* composition of capital may increase, while the organic composition measured in value terms remains constant.)

One cannot do more here than suggest the contradictory effects produced upon the level of investment and therefore upon the boom by a technological revolution. Only empirical study can show whether such a revolution is in fact widespread over industry in the post-war period.

Second, there is no doubt that ability to finance expansion from a firm's internal accumulation of profits would increase its freedom of action in timing that expansion; and it can be argued that a large monopoly, powerful enough to survive a slump and basing itself on its estimates of long-term demand, might well take advantage of the low prices of capital equipment prevailing in a slump to carry out its modernisation then. If this practice becomes widespread among the big firms which are responsible for a large part of the economy's private investment in plant and equipment, then a powerful counter-cyclical tendency would be established.

As compared with pre-war, a much larger proportion of the gross investment carried out by the largest public companies has been financed not out of borrowing from the capital market by new issues of bonds and shares but from their own accumulated reserves. In the earlier post-war years about two-thirds of such investment came from this source, and there is not much doubt that this practice represents in part a long-run tendency. It is, none the less, possible to inflate this tendency beyond what is warranted by the facts, and to underestimate counter-tendencies.

For, in the first place, capitalists are always over-optimistic in the boom. Their confidence in the bold projections they make of future demand diminishes very rapidly when present demand begins to fall off. The projections have little objective basis, stemming either from the "scientific" view that what is growing will keep on growing or from animal spirits engendered by the contemplation of present profits. It is noticeable in late 1957 that the recently fashionable predictions of a doubling of the real national income in twenty-five years are made, if at all, in more subdued tones.

Thirdly, in the period immediately after the war the liquid resources of these firms were augmented by special causes. Not only did firms finish the war with large liquid balances at a time when investment programmes were restricted by the limited resources available; but their reserves were subsequently increased by E.P.T. refunds, and later by investment and initial allowances. Inflation has also meant that while a firm's receipts rise with the rise in prices, one of its costs, that of depreciation of plant etc., being usually based on original cost rather than replacement cost, has not risen at all; hence the gap between receipts and costs, which is profit, tends to receive a further upward push.

Fourthly, dividend limitation (required to make wage restraint at all palatable) has held down personal savings by the shareholders to the benefit of corporate savings.

Finally, taxation policy based on sharp discrimination in favour of undistributed profits has given a big boost to the liquid reserves of large companies.

Since 1951, however, these forces have operated

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less strongly, and in some cases gone into reverse. Personal savings have increased faster than corporate savings and recently even the biggest companies have resorted to the capital market. Hence whilst the long-term trend is towards increased self-financing, it is not so spectacularly so as these temporary reinforcements might make it appear, and hence caution must be used in attributing too much to it.

(*c*) The effects of state intervention may be considered under two heads, corresponding to the two main forms of state expenditure which have increased substantially in the state monopoly capitalist period —welfare expenditure and war expenditure.

Where the state spends money on expanding the social services, or in other social spheres which do not compete with private capitalist industry, such spending, especially if large in relation to the national income, might be supposed to stabilise capitalism. To look at expenditure only without consideration of how it is financed is to ignore effects both upon the level of working class expenditure and upon the level of capitalist profits and consequent investment. If the social services were paid for by the working people in the form of taxation, then, whatever other merits they may have, from the economic standpoint the state expenditure simply replaces expenditure which would otherwise have been made by individuals. If they were paid for by increased taxation on the capitalists (which they could not pass on), then either capitalists' consumption would be reduced or capital accumulation. A reduction in capital accumulation slows down the rate of growth of productive capacity and therefore the rate of growth of the contradiction between producing and consuming power; on the other hand it reduces also the net rate of profit on capital. It is probably academic to discuss whether this depresses the level of capitalist investment, for experience shows that any capitalist class with its hold on the state apparatus intact would not accept this new distribution of income as a stable position but strive desperately to reverse it, and that any working class that has got so far must go forward or be pushed back. In the short run the economic effects of expanding the social services by taxation on the capitalists would help to expand and stabilise expenditure, but its consolidation at the level required for permanent stability violates the basic drive to profit of a capitalist economy, and is therefore not possible within the framework of capitalist economic and political power.

The second large state expenditure is on war. Much has been written by Marxists, and there is not space here to develop the argument fully. But too much (in the writer's view) of what has been written since the war, especially on "war and work", derives from a dogmatic application of the famous passage of Stalin, "What does a war economy mean? . . ." [*Report to 18th Congress CPSU(B)*] which was written at a particular time in relation to the war economies of Germany and Italy. In considering whether, or for how long, a "war economy prolongs a boom", that economy must be examined in three aspects:

(i) Is it a "war" involving half the economy's resources, or is it "rearmament" absorbing e.g. 10-12 per cent of those resources? Without that knowledge how can it possibly be said whether such state expenditure becomes the main determinant of private expenditure or whether the fluctuations in private capitalist expenditure are large enough to cause a crisis irrespective of the rearmament expenditure? The experience of 1938 and 1953-54 suggests that 10 per cent may not be large enough to prolong a boom when other supporting factors diminish in force. The level of arms expenditure which a government can maintain is a political question, a question whether it can mobilise enough political and ideological support for it. And that in turn depends upon the class character of the war and the attitude of the working class towards it.

(ii) What is the country's external economic position? If arms production expands at the expense of exports, how will the country pay for the imports of food and raw materials required to maintain the economy at full employment?

(iii) How is the war paid for? If the method of financing it, e.g. through increased indirect taxation, a wage freeze, and inflation simultaneously impoverishes the working class and leads to rapid capital accumulation, then it is true that the contradiction between the producing power of society and the consuming power of *the people* grows; but the consuming power of the people is not the same thing as the consuming power of *society* where unproductive consumption by the state is large. The contradiction need not therefore break out openly in economic form, but such fiscal and monetary policies are likely to call into *political* question the nature and aims of the war.

In conclusion, it seems to be true (and perhaps no longer heretical?) to conclude that "war" may, under certain conditions, mean work; but if it starts in a fully employed economy, it must result in a fall in working class consumption, i.e. in "poverty". What is needed above all is less generalisation and more particular analysis.

(*d*) The depletion of the capital stock. Perhaps the most obvious and direct factor bearing upon the length of the recovery and boom is the extent to which the preceding depression has depleted the stock of all kinds of means of production, as well as the stock of durable consumer goods. Depletion requires examination in two respects: first, because

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the capital stock is composed of parts which have very different production periods, lengths of life, and other characteristics (this we deal with in detail below in section 3); second, because under capitalism depletion of the capital stock means its depletion below some level required by the needs of profit-making. It may be depleted in two ways. It may be quantitatively insufficient or it may be qualitatively inadequate in the sense that it is "morally depreciated" or obsolescent. It does not follow that plant will be scrapped simply because better processes are known. Even under socialism the relative social costs of production by the old and the new process must be considered. Under capitalism the question is one of relative profitability. And the mere fact that superior equipment is known to exist does not necessarily, in conditions of monopoly, represent an immediate threat to profits. Competition no longer takes the single form of cheapening costs, and the threat can be averted, though not indefinitely, by other means.

III. THE COMPONENT PARTS OF AN ECONOMY'S STOCK OF CAPITAL

(*a*) Circulating capital. In considering the trade cycle the period of turnover of the capital invested in labour-power is too short to be relevant to cycles which are expressed in terms of years. The remaining circulating capital—raw materials and semi-finished goods—is usually also turned over in relatively short periods, say six to twelve months in agriculture and usually shorter periods in industry and trade. It seems likely that the subordinate fluctuations which occur at two- to three-year intervals within the course of the major cycle have their origin in the expansion and contraction of the stock of circulating capital. Examples of such "inventory" or "stock" cycles are fairly certainly those of 1948/49, and 1953/54 in the U.S.A., as well as the two fluctuations which appeared in the boom of the late 1920s.

We are therefore left with the growth and contraction of *fixed* capital to explain the major cyclical movements.

(*b*) Fixed capital. Of the fixed *industrial* and *commercial* capital it is important to distinguish buildings from plant and machinery, though it is, of course, true that in some industrial processes the buildings are so integral with the plant and machinery that the scrapping of the one involves the destruction of the other. In much of medium and light industry, as well as in commerce and distribution, buildings are relatively adaptable.

Buildings are both expensive and have a long life (say at least sixty years). The cycle associated with the wearing out and replacement of buildings must therefore have a very different length from that of plant and equipment. Hence if a substantial part of the stock of buildings happened to have been built during a short concentrated burst of investment long enough ago, then their coming up for replacement in a bunch will create a considerable boom in building.

Of the *non-industrial* and *non-commercial* capital, public and residential buildings form the bulk. Since public building is financed out of taxation, it is likely to decline in a depression—except in so far as this is offset by successful pressure for a public works programme.

Residential building not only forms a substantial part of all investment in fixed capital but it has enough peculiarities to warrant separate treatment. House building has always been treated by statisticians as a part of fixed capital formation. In the nineteenth century in Britain this appeared to be legitimate since houses were built mainly to provide a rent for the non-resident owners. Now large numbers of houses are built by public authorities or are legally owned by their occupiers (about 4 million in the U.K. out of a total stock of 13 million houses are owner-occupied) and it is open to question whether they can still be treated as a category of capital. From the standpoint of their owners, houses are probably consumer goods of exceptionality durability or a store of personal savings. In any event, they are not bought as a form of capital investment earning claims to a share in surplus value. From the point of view of those who provide the mortgages with which the majority of such houses are bought, they represent an investment of capital—but the initiative comes from the house-purchaser and that initiative will be exercised in periods when interest rates are low and credit plentiful, when houses are not available for rent, when rents are rising, and when real incomes are rising or are at least secure.

Given that these two conditions are operating, the demand for housing will be increased also in periods when the number of families is increasing and when changing social habits and population location is making the existing stock of housing unsatisfactory in quality and disposition.

Particular stress is laid on housing not only because 300,000 houses per annum at, say, £1,500 each represent an investment of £450 million but because the building boom of the middle and late 1930s (in the U.K.) and the building boom of 1953/54 (in most of the industrialised countries) have been important factors affecting the level of total expenditure.

(*c*) Durable consumer goods.[1] A similar situation arises in relation to durable consumer goods in the richest industrial countries—and especially in the

[1] These are not part of the stock of capital, but are discussed here because their replacement cycle presents similar problems.

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U.S. The higher the real standard of living, the higher the proportion of consumption expenditure going to the purchase of consumer durables, especially of motor cars. High-pressure salesmanship plus the growth of hire-purchase credit have maintained a high and unstable level of replacement[1] demand for cars, the production of which forms a sizable part of the total output of the engineering industry, and of the demand for steel, rubber etc. (An annual production of 9 million cars in the U.S. must absorb directly at least 10 to 12 per cent of the total steel output.)

It can be argued that a large percentage of the cars sold are bought directly or indirectly by businesses, but the same is not true of other consumer durables (e.g. household appliances). Even clothes—especially the longer-lived items—are subject to fluctuation. For example, it is generally believed that the clothing and textile slump of 1951/52 was due to over-stocking by consumers (as well as by distributors) in the early stages of the Korean price rise. Hence the normal replacement demand did not materialise in 1951/52.

It is clear from the foregoing that, although the basic concept of the inherent instability of capitalism remains unchallenged, particular cyclical movements can differ in very important respects from one another. If the factors considered above are among the most important causes of difference, then qualitative and quantitative investigation of them are a key to advance.

[1] A cycle of passenger car replacement appears extremely unstable. For example, in the U.S. in 1955 industrial production rose by 11.8 per cent; production of passenger cars by 42.5 per cent. In 1956, while industrial production rose by 2.9 per cent, production of passenger cars fell by 26.9 per cent.

Some problems of the African trade union movement

Jack Woddis

ONE of the most striking phenomena of the post-war world is the growth of the movement for national liberation especially in Asia, the Near and Middle East and Africa. The years from 1945 to 1953 witnessed the liberation of China, the establishment of the independent states of India, Burma, Ceylon and Indonesia, the establishment of the democratic republics of Viet Nam and Korea and the intensification of the struggle for the independence of Malaya. In the past few years, however, in Africa and the Arab-speaking countries similar progress has begun. On the African continent south of the Sahara, that is to say in that part of Africa inhabited mainly by the non-Arab-speaking peoples, the movement for national independence and against colonialism is still in a relatively early stage as compared with Asia. Nevertheless in Africa too, as seen for example in the declaration of the independence of Ghana on March 6th, 1957, the peoples have set out on the same road.

As part of this general development, and playing an increasingly decisive part within it, there is a growing working class and trade union movement.

Despite the colonial character of the economy of Africa under which the main concentration is on transport, agriculture and minerals, nevertheless there has been a constant growth of the African working class in the past fifty years and, in the last ten to fifteen years, a very rapid development of urbanisation.

If one adds the Portuguese territories, for which no reliable estimate is available, this means that there are close on 8 million workers in Africa south of the Sahara. When one considers the character of the African working class, the fact that many of them are not wholly or continuously dependent on wages for a living, that they constantly flow from industry back to the countryside, it would be obviously incorrect to regard the African working class as yet as an overwhelmingly powerful force. Nevertheless when one considers that on the eve of China's liberation there were only 2 million industrial workers in a population of 600 million people, it is clear that the 8 million workers of Africa can be an important influence in the course of events among the 120 million people who occupy the African territories listed in Table I.

We shall have more to say later about the specific

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TABLE 1

Territory	*No. of African and other non-European wage earners*	*Percentage of total population*
French West Africa ..	350,000	2.0
French Equatorial Africa	190,000	4.2
French Cameroons ..	125,000	4.0
Nigeria and British Cameroons	500,000	1.5
Ghana	200,000	4.5
Sierra Leone	80,000	4.0
Gambia	5,000	2.5
Belgian Congo (and Ruanda-Urundi) ..	1,000,000	8.5
Uganda	280,000	4.0
Kenya	450,000	8.0
Tanganyika	400,000	6.0
Zanzibar	5,000	4.0
Northern Rhodesia ..	250,000	13.0
Nyasaland	120,000	5.0
Southern Rhodesia ..	530,000	24.0
Union of South Africa	3,000,000	21.0

character of the African working class and how this affects the trade union movement and poses certain problems which are specific for Africa.

Side by side with the growth of the working class there has developed especially in recent years considerable urbanisation. For example, Dakar has jumped from 132,000 in 1945 to 300,000 in 1955, Bamako from 40,000 in 1946 to 100,000 in 1955, Leopoldville from 110,000 in 1946 to 340,000 in 1955, and Lagos from 126,000 in 1931 to 270,000 in 1955. Many other examples of this remarkable growth could be given.

Side by side with the growth of the African working class has been a new drive for profits and increased exploitation by the big monopolies. The big English and American monopolies controlling copper, tin, gold, diamonds, coffee, tobacco, cocoa, vegetable oils, cotton and trade have in the past ten years reaped enormous profits from their control of the resources of Africa.

Workers Organise

The increased exploitation of the African workers, for which ample evidence can be given, has naturally led to an increased resistance by the workers themselves. Indeed it is in this very period that the most marked growth of the working class and trade union movement has been seen. This is particularly true of Kenya, Tanganyika, Northern Rhodesia, Nigeria and Ghana, as well as in French Equatorial and Western Africa. True there was some development of the African working class movement earlier in the century. In fact there is record as far back as 1874 of an African workers' strike in Freetown, Sierra Leone. After the First World War there was some growth of the trade union movement, an African Railway Workers' Union was formed in Sierra Leone and a wave of strikes developed in 1919-1920 in the Union of South Africa, outstanding amongst which was the successful strike of the Cape Town dockers and railwaymen. This development in South Africa brought into being the Industrial and Commercial Workers' Union (I.C.U.) which was in effect a large general union with all the weaknesses and problems associated with early efforts in western capitalist countries to form "one big union". At its peak in the 1920s the I.C.U. had a membership of 100,000 workers, but, as a result of internal weaknesses and repression by employers and the Government, it rapidly disintegrated and is now only a memory in the minds of African workers.

In the period between the two world wars there was a certain growth of workers' organisations, although in the main the outstanding characteristic in this period was one of lack of trade unions side by side with the outburst of sporadic and spontaneous strikes, some of them of very short duration. Outstanding amongst the strikes in this inter-war period one can mention the Sierra Leone railway strike in 1919; the French-Niger railway strike in 1925; the Sierra Leone railway strike in 1926; and the Northern Rhodesian copper strike in 1935. These were in the main treated by the Government as "illegal revolts" and all the force of repression was used against them.

New Tactics of Imperialism

Trade unionism only really developed in most parts of Africa as a post-war phenomenon although trade unions were allowed in French Africa after being given some legal rights by the Popular Front Government in 1937. In addition there was some trade union development in South Africa before the Second World War.

If one examines the position in the British African colonies, for example, the change in the situation is very marked. Before the Second World War British imperialism maintained its domination over the African workers solely by means of repression. Trade unions were illegal in practically every British colony. In fact in 1930 there were only three registered trade unions in all the colonial territories in the British Empire. And these three organisations were only tame ineffectual bodies tolerated by imperialism because they did not really represent the workers or fight for their demands.

Already, by the eve of the war, however, the development of working class struggles in the colonies was forcing British imperialism to adopt new tactics. The large-scale demonstrations and strikes which shook the British West Indies in 1937 were regarded by the imperialists as a warning

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signal. It was obvious that the old methods of rule were insufficient. New additional methods had to be found to prevent the formation of a militant, class-conscious African working class and strong, united trade union organisations.

Government advisers developed the conception that under government control tame trade unions should be sponsored, which would co-operate with the employers and the government, and act as a cover which the government could set to work to destroy the workers' movement and whatever genuine, militant organisations that had been established.

Further compulsion on British imperialism to find a new way of holding colonial workers in check came after the 1941 strike of African copper miners in Northern Rhodesia. Once again the solution proposed by British imperialism was the encouragement of so-called "responsible" trade unions authorised and controlled by the government—that is, unions which would ensure undisturbed profits for the big monopolies.

It was only after the Second World War that this new policy of British imperialism really began to operate. The experiences of the war against fascism and the victory itself helped to release a powerful movement for democratic advance and national liberation throughout the world. This movement was very marked in colonial countries, where the workers, alive to the possibilities in the new situation, rapidly developed trade union organisation and thus forced from a reluctant British Government *de facto* recognition of trade unions, even though, for a time, legal recognition was still withheld in a number of countries.

It was clear that it had become increasingly difficult for British imperialism to rule in the old way, solely by repression, since the colonial workers were not prepared to go on living in the old way. Further, the ideological effect on the minds of the British workers of the victory over fascism had made it more difficult for the British Government to justify to the British workers repression against trade unionism in the colonies. Two other factors also compelled British imperialism to change its tactics. The formation of the United Nations and the role played in this organisation by the representatives of the Soviet Union and the people's democracies (and later by former colonial countries which had recently won their independence) constantly exposed the oppression of colonial peoples. A further important factor was the formation of the World Federation of Trade Unions in 1945. This powerful organisation, which embraced the overwhelming majority of the organised workers of the world, included in its ranks trade union organisations from a vast number of former colonial countries as well as from countries struggling to be free. The declared policy of the World Federation of Trade Unions, from its very foundation, was one of moral and material help to colonial workers and opposition to every form of imperialist oppression. The existence of the W.F.T.U., its constant protests against the violation of trade union rights in the colonies and its consistent championing of the cause of colonial workers and trade unions through its interventions at the International Labour Organisation, and at the United Nations Economic and Social Council, was also a factor which imperialism had to take into account.

The most decisive factor, however, forcing British imperialism to adopt this new policy, was the actual growth of working class organisation and militancy in the African territories themselves. Report after report reveals the extent to which historical necessity had forced a new policy on British imperialism. Thus Major G. St. J. Orde Browne, Labour Advisor to the Secretary of State for the Colonies, in his report on *Labour Conditions in East Africa* (1946), in advocating this new policy refers to the fact that the trade union movement was "already perceptible in East Africa" and stresses the need for a new policy to encourage "negotiations in a reasonable fashion" in place of "extravagant demands, backed by the threat of immediate strike".

New Forms of Repression

Similarly, the report of the *Commission of Enquiry into the Disorders in the Eastern Provinces of Nigeria* (November 1949) stated that facts had to be faced. "There can be no turning back the hands of the clock now. Trade unionism is part and parcel of the law of Nigeria; it cannot be ignored; it must be made to work."

Perhaps the clearest exposition of this new policy of British imperialism towards trade unions in Africa is to be found in *Trade Unionism in African Colonies*, a booklet written in 1949 by R. E. Luyt, who later became Trade Union Advisor in Northern Rhodesia and then Labour Commissioner in Kenya. In this booklet he writes:

> "African workers, growing rapidly aware that it is in their interest to organise and act collectively . . . will organise and will act collectively whether governments or employers or anybody else wish to permit it or not. And such not permitted, possibly illegal, collective action and organisation, by virtue of being illegal or without recognition, tends to be led by men more revolutionary and more irresponsible and less reasonable than the accepted and recognised trade union leaders have been."

It was on the basis of this outlook that British imperialism set into motion its new policy towards the African trade unions, aimed at bringing about division within their ranks and reducing their fighting strength. In essence the new policy can be summed up as follows: if imperialism cannot prevent

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the development of trade unionism in Africa, then at least it intends to try and ensure that such trade unions as it permits will develop on "sound lines"—by which it means on lines approved of by Whitehall, Washington and the big monopolies which drain off millions of pounds profits from the colonies every year. This "new policy" of British imperialism is in essence the same as the old. It is not intended as a substitute for repression but as a means of making it easier to continue and intensify repression.

One needs only to look at what has happened to the working class in Africa in the last few years to see this—the shooting down and arrest of workers in the Gold Coast in 1948-49; the shooting down of twenty-one miners at Enugu in Nigeria in 1949; the deportation of trade union leaders in Kenya in 1950, accompanied by the dissolution of the East African Trade Union Congress; the brutal suppression by British naval forces of the dockers' strike in Tanganyika in 1950, accompanied by the arrest of eighty trade unionists, including the entire leadership of the union; the constant persecution of trade unionists in Southern Rhodesia and in Northern Rhodesia, culminating in 1956-57 in the removal of all the militant miners' leaders in Northern Rhodesia and a ban being placed on their re-entry into the copper belt.

The Struggle Grows

As a result of this double-edged policy of the British Government the past ten years has witnessed the virtual break-up of a number of the most militant trade union organisations in the British colonies of Africa and the establishment in their place of official organisations recognised by the government. However, whatever may have been the intentions of British imperialism at the outset, life has a way of asserting itself. The workers of Africa, like the workers in all colonial countries, want a better life. They want higher wages, shorter hours, better working conditions, social security systems, old-age pensions, compensation for industrial injuries, better housing, trade union rights and better health and educational facilities. Increasingly they realise that to obtain these things it is necessary to organise as a class, to form trade unions, to struggle in unity against the big monopolies which exploit them. In the course of such struggles they increasingly become aware of the fact that a necessary precondition for such advances is the winning of national independence so that the African people themselves can develop the economies of their countries to meet their own needs instead of having the wealth of the country extracted to increase the profits of shareholders in London and New York.

It is for this reason that in practice the "new policy" of British imperialism towards the trade unions is constantly breaking down and finding itself faced with not only the growing organisation of African workers but also with ever greater militancy and determination to struggle. Already in the period 1951-55 strike statistics showed a growing readiness on the part of African workers to take action in support of their demands.

The period 1955-56 saw a still greater development of the strike movement in Africa. Outstanding was the strike of dockers in Mombasa, Kenya; the 18-day strike of the 40,000 tin miners and the 12-day strike of the 40,000 building workers in Nigeria; the strike of 10,000 workers on the sugar-cane plantations in Uganda; the 3-month strike of 30,000 miners against the British mine owners on the Gold Coast; and the 58-day strike of the copper miners in Northern Rhodesia. In several of these countries, such as Northern Rhodesia and Nigeria, the number of days lost through strikes reached new records.

Fresh Attacks

British imperialism, seeing with apprehension that its policy of fostering tame trade unions which it thought to control is breaking down, is constantly being forced to make fresh attacks against the very trade unions which it itself originally helped to sponsor. Thus, for example, in Northern Rhodesia in the past twelve months militant trade union leaders have been arrested, removed from their union positions and deported to out-of-the-way villages. Others have been persecuted, and even their families have not been spared. Both in Kenya and Tanganyika, faced with the growing strength of the trade unions, the government has threatened to take action in the past two years—in the former case threatening to declare the Federation of Labour illegal and in the latter case preparing to crush by force a general strike which the Tanganyika Federation of Labour had proposed to organise. In Nigeria the attack has taken a different form—this time divisions have been brought about within the ranks of the trade union movement and a second trade union centre formed at the beginning of 1957.

Despite these difficulties the workers of Africa are continuing to build up their trade union organisations and to transform them more and more into genuine weapons of struggle in the service of the working class. In the comparatively recent period trade union centres have been established in Tanganyika, Uganda, Nyasaland and Southern Rhodesia.

The present position of the trade union movement in Africa reveals the following:

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TABLE 2

Territory	*No. of African and other non-European wage earners*	*Membership of trade unions*
Uganda	280,000	10,000
Kenya	450,000	50,000
Tanganyika	400,000	15,000
Northern Rhodesia ..	250,000	50,000
Southern Rhodesia ..	530,000	10,000
Nyasaland	120,000	5,000
Gambia	5,000	1,000
Sierra Leone	80,000	15,000
Ghana	200,000	100,000
Nigeria and British Cameroons	500,000	150,000
South Africa	3,000,000	40,000
French West Africa ..	350,000	250,000
French Cameroons ..	125,000	50,000
French Equatorial Africa	190,000	5,000

(The above figures are compiled partly on the basis of figures provided by the trade union organisations themselves or government reports and partly on the basis of the author's own estimates.)

It can thus be seen that the number of African workers organised in trade unions is now approximately 1 million. This represents, it is true, only some 12 per cent of the number of African workers but already it represents a significant organised force which, despite all setbacks, has continued to grow, both in membership and in experience.[1]

The African working class still faces many acute problems in its efforts to build up its trade union movement. The African working class itself has its own specific problems. It is a new class closely linked with the countryside to which it constantly returns, and under strong tribal influences. This tends to delay the growth of class consciousness amongst African workers who, as a class, are unstable in the sense that there is a constant drift of workers from the mines and factories into the countryside. This characteristic is aggravated by the fact that most African labour is migrant labour, most of the more developed regions drawing a large part of their labour from more depressed colonial territories, sometimes adjacent, but very often distant. The result of all this is that there is a very high labour turnover. For example, in 1947, among the African employees of the Kenya and Uganda Railway, almost 50 per cent had less than three years' service and one-third had worked for less than one year. It should also be taken into account that most African labour is unskilled or, at best, semi-skilled, and employed mainly in agriculture, mining, government services and transport. Manufacturing industry plays a very small part in the economy of almost all African territories.

If one poses the question as to why trade unionism in Africa is still relatively weak one has to take into account that there are objective reasons for this, beyond the immediate control of the trade union movement. The existence of migratory labour is quite clearly a major drawback to trade union organisation. Workers who are continually moving to and fro between the towns and the countryside are difficult to organise, and migrant workers often do not return to the same factory or even the same town after a spell of farming.

African Working Class

Another factor holding back trade unionism among Africans is that they are restricted mainly to unskilled work. Skilled workers everywhere find it easier to organise successfully. They are better able to bargain with the employers who find it difficult to replace them. That is why trade unionism originally began in most countries with the skilled craftsmen.

And yet, when all these objective factors have been taken into account, it has to be stated that the main obstacle preventing the more rapid growth of the African trade union movement is the persecution by the imperialists who constantly harass trade union organisations, sow division in their ranks, intimidate or remove militant leaders and constantly by manoeuvre, legal violation and repression, restrict the development of African trade unions.

But the imperialists are not succeeding. Their victories are only temporary. The struggles of the African peoples to win or consolidate their independence rises ever higher. Several territories on the African continent have already established their own independent governments and others are marching in the same direction. This is the trend of history from Khartoum to Cape Town. And as part of this trend, and playing an ever more decisive part within it, marches the African working class and trade union movement, young, relatively inexperienced, but militant, courageous, with a remarkable aptitude for organisation and constantly, through struggle, creating the unity which will bring it ultimate success.

[1] One should not forget the important trade unions in North Africa, especially in the Sudan Republic, Tunisia, Morocco, and Algeria.

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Soviet Economists' Discussion

Proposed Changes in Soviet Political Economy Textbook

IN September of last year there was a session of the academic council of the Institute of Economics in Moscow at which Academician K. V. Ostrovitianov reported on the changes to be made in the new (third) edition of the text-book on political economy. The following is extracted from the report of this session in *Voprosi Ekonomiki* (Questions of Economics), 1957, No. 11.

In opening the session the chairman explained that the authors of the new edition had made some important changes, after a critical examination of a series of questions posed by Stalin, especially in his *Economic Problems of Socialism in the U.S.S.R.*, and in the light of the Twentieth Congress of the C.P.S.U. In making these changes they had taken into account comments and suggestions made by Soviet and foreign economists. The chairman stressed that it would be necessary to produce not merely one but a whole series of text-books on political economy.

Academician Ostrovitianov started by mentioning a change in the third edition in the definition of productive forces. Under Stalin's influence this had previously been taken as including only the instruments of labour and the people who set them in motion; the authors had now reverted to the definition of Marx and Engels, according to which the productive forces included *all* means of production (e.g. including sources of energy, fuel, raw materials).

As regards the impoverishment of the workers under capitalism, two tendencies in the movement of the value of labour power were evident. In the course of technical progress and rising productivity of labour in branches producing consumption goods, or means of production for the creation of consumption goods, there took place a lowering of the value of labour power and a rise of surplus value, which constituted the characteristic trait of capitalist development. Alongside this there operated a counteracting tendency towards a raised value of labour power as a result of growing intensity of labour and rising consumption-needs of the working class. In saying that in conditions of capitalism the general tendency appeared as the lowering of real wages, the authors at the same time noted the factors counteracting it, nearly all of which were connected with the struggle of the working class for higher wages and improved working conditions. It was also shown that the level of wages depended on the cyclical development of capitalism; periods of boom creating favourable conditions for the workers' struggle for higher wages; and at such times wages rose, while in conditions of crisis, depression and war they fell sharply.

In connection with the problem of absolute impoverishment, the text-book had in view such a category as the standard of life of the working class embracing the sum-total of all its conditions of life: real wages, unemployment, intensity of labour, length of the working day, economic crises, wars and militarisation, the situation of workers in colonial and semi-colonial countries. In the text-book it is made clear that a fall in the living-standard [in this wide sense] may accompany a rise in real wages, if the latter does not compensate for the increased expenditure of labour called forth by higher intensity of work.

The third edition emphasises that there are not two basic laws of capitalism—pre-monopolistic and monopolistic. There exists one basic law of capitalism, the law of surplus value, but the forms of its manifestation vary. In conditions of pre-monopoly capitalism its action is expressed primarily through an average profit-rate [on capital] and prices of production, whereas in imperialism there prevails monopolistically-raised profit and monopoly prices. The text-book shows that under the latter competition does not disappear but continues, even in sharper forms, thereby giving the possibility of transfer of capital from one branch of industry to

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another and thereby giving rise to a tendency towards profit-rate equalisation. However, any such tendency is expressed in an extremely contradictory form, through constant and very long-term departures of profit from the average rate and of monopoly prices from prices of production; accordingly monopoly price plays the preponderant rôle.

In the old edition of the text-book the essence of state monopoly capitalism was reduced to the subordination of the state apparatus by the monopolies in order to utilise it for economic intervention in the interests of raised monopoly profit and the consolidation of the hegemony of monopoly capital. This formulation did not take account of the very important economic characteristic of state monopoly capitalism pointed out by Lenin, the essence of which consists in the fact that state monopoly capitalism represents a higher stage of capitalist "socialisation" (*obobshchestvlenie*) of production—thanks to which is prepared an economic pre-requisite for the building of socialism after the victory of the socialist revolution. This is emphasised in the new edition.

We have to reckon as a new phenomenon of post-war capitalism the rise of state capitalism of a special type in under-developed countries that are seeking independence. In the third edition of the text-book the progressive character of this type of state capitalism is shown, to the extent that it is directed against the dominance of foreign monopoly capital in under-developed countries. At the same time the difference in principle from state capitalism in countries building socialism is pointed out.

In connection with the problem of a change in the cycle in the post-war period, the authors show that a narrowing of the sphere of capitalist domination (as a result of the widening of the socialist sphere) does not mean an absolute shrinkage of the capitalist market or the stopping of extended reproduction. In the text-book a series of factors which have produced changes in the cycle after the Second World War are analysed: renewal of basic capital, progress of technique, the accelerated arms race and the hunt of capitalists for high monopoly profits, militarisation of the economy, a strengthening of the uneven and discontinuous (lit. "taking the form of jumps") development of capitalism etc.

Other changes that were reported had to do with the political economy of socialism: with the formulation of its basic law, with commodity-production and the law of value (including the question of the commodity-character of means of production), with economic accounting etc. There followed a discussion in which some fifteen economists took part, some of them critical of the proposed changes in one respect or another.

M. D.

Discussion on Theory of Crisis

Even More on Crisis Theory

REG BEECH has rallied to the defence of the theory which tries to explain crises *solely* on the inability of the masses to buy the goods produced. His enthusiasm deserves a better cause than this already discredited theory.

Not all of Marxism is contained between the covers of the three volumes of *Capital*. Quite apart from the necessity that Communists should develop Marxism continuously, it is apparently necessary to remind Comrade Beech that Marx and Engels wrote other works well worthy of consideration.

Comrade Beech might, for example, turn with profit to *Anti-Dühring*. In the opinion of Engels, one of the classic errors of Dühring was his view that crises were due not to overproduction, but rather to:

> "the lagging behind of national consumption . . . artificially produced under-consumption . . . the restriction of the needs of the people in their natural growth."

Engels points out that the under-consumption of the masses is no new thing—it has existed just as long as there have been exploiting and exploited classes, not only during the period of capitalism:

> "The under-consumption of the masses is therefore also a necessary condition of crises, and plays in them a role which has long been recognised; *but it tells us just as little why crises exist today as why they did not exist at earlier periods.*" [my italics.]

If Comrade Beech prefers to rely on Marx

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himself then he should have another look at *Capital*, Vol. II, Chapter XX, Section 4, where Marx describes the under-consumptionists from Rodbertus onwards as "advocates of simple (!) common sense". He also describes as a tautology the statement that crises are caused by the scarcity of solvent consumers since:

> "The capitalist system does not know any other modes of consumption but a paying one, except that of the pauper or of the 'thief'."

The "restricted consumption of the masses" is a permanent feature of class societies. In a capitalist society it is present during periods of boom as well as during crisis and depression. Its existence, therefore, does not help us to show why crises occur when they do. Nor, I suggest, will under-consumptionist theory help Comrade Beech in his predictions of "the end of the period of stability".

WILLIAM MENNELL

The Theory of Crisis

A Reply to Discussion

Emile Burns

IN the discussion arising out of my article in the October number of *Marxism Today*, the most general points have been raised by John Eaton (in the November number). He suggests that my article, and also the chapter on crisis in his *Political Economy—A Marxist Textbook*, "are coloured with the same mistake, namely, to present the Marxist theory of crisis as if it were an under-consumptionist theory".

In support of this criticism, John Eaton cites Lenin's attack on the under-consumptionist theories of Sismondi and Rodbertus. It seems to me that, in basing his arguments on quotations from Lenin dealing with these theories, John Eaton has overlooked what exactly these theories were.

The feature that is common to under-consumptionist theories is their assumption that the goods made in *every* turnover of capital cannot be sold, because too little purchasing power is distributed in the form of wages, and the capitalists cannot find a market (except by export abroad) for the part of the total national product that represents profits. Apart from Sismondi and others before Marx, similar under-consumptionist theories were held by Rosa Luxemburg (in the form that surplus value could only be realised through exports) and by Major Douglas, of the "Douglas Credit" scheme, who proposed that the state should provide purchasing power to make good the inability of wages and profit to absorb the total output of capitalist production. All such theories rest on the belief that sufficient purchasing power is *never* distributed in capitalist production. They are variations on Adam Smith's view that wages and profit spent on consumption goods constitute the market, forgetting that capital also exists and is spent on means of production.

To make the point clearer, I quote from a pamphlet by Maurice Dobb, *Social Credit Discredited* (1936):

Such theories "attribute the cause of the crisis to a *chronic insufficiency of purchasing power*. The present money-system, they say, never issues enough purchasing-power, as money incomes to people, to buy back all the goods produced".

The Major Douglas argument is: prices are fixed on the basis of costs—machinery, raw materials, wages, profits. But the purchasing power distributed is only wages and profits, so that the part of the national product which represents the cost of machinery and raw materials can never be bought.

But Major Douglas forgets capital. In fact, machinery and raw materials are bought by capital, not revenue (wages and profits). Of course, capital arises from accumulated profits; but once it is there, it is a source of purchasing power independent of current wages and profits, and by making more profit in each turnover of production capital increases its purchasing power for the next turnover.

But the theory put forward by Marx, which I attempted to state very briefly in my article, has nothing to do with "under-consumption" as a constant feature of capitalist production. On the contrary, it is well aware that purchasing power does not only buy articles of consumption. The purchasing power of the capitalists, apart from a small portion of it used for personal consumption, buys means of production for "productive consumption". Because profits are turned into means of production, productive capacity and actual

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production increases; but the purchasing power of the mass of the people does not increase in the same proportion, so that a gap develops between production and consumption. A crisis shakes this out, and gets rid of the excess in one way or another; then a point comes when capitalism is *under-producing*, producing less than there is effective demand for; more capital equipment is therefore produced, and so we get the ascending phase of the cycle leading to the boom, which again creates the conditions of *over-production.*

This is not "under-consumptionist"; it sees the gap between production and consumption not as something due to the permanent poverty of the workers but as something that develops at one point in the cycle through which capitalist production passes.

Is this a fair presentation of Marx's general theory of crisis? John Eaton thinks not. He thinks the quotation I gave from Marx "has been mercilessly torn from its context in a section dealing not at all with the general question of crises but with money capital, credit etc." But in fact, it is a passage dealing with crisis; a passage rejecting the idea that a crisis is due to a shortage of productive capital, and indicating the real cause:

> "The last cause of all real crises always remains the poverty and restricted consumption of the masses, as compared to the tendency of capitalist production to develop the productive forces in such a way that only the absolute power of consumption of the entire society would be their limit." (*Capital*, Vol. III, p. 568.)

It should be noted, however, that John Eaton, in referring to this question, uses only the first part of it, up to "restricted consumption of the masses". Reg Beech, who supports my view, unfortunately takes this portion of the quotation from John Eaton, not the full quotation from my article. Thereby he laid himself open to the criticism from William Mennell (in this number). The point of course is that to say crisis is due to the restricted consumption of the masses by itself is "under-consumptionist"; but what Marx said was "restricted consumption of the masses, *as compared* to the tendency of capitalist production to develop the productive forces" without limit. In other words, accumulation leads to expansion of productive capacity, but the consumption of the masses does not increase in the same proportion; thereby making it impossible for capitalism to use fully the productive capacity it has built up, and therefore it does not go on building new productive capacity. It seems to me that the facts of life are so clear—for example in the U.S. now—that I can't understand how this general theory of Marx can be disputed.

John Eaton, referring to the passage quoted from Marx, says: "It would be impermissible to base a whole theory on this one sentence", and implies that Marx didn't really mean it and would probably have revised it if he had had the chance before publication. I agree with Reg Beech that there is not the slightest ground for this suggestion. In fact, it is not a case of "one sentence", for Marx repeats the same idea over and over again, both in *Capital* and in *Theories of Surplus Value*. Just one example:

> "Since the aim of capital is not to minister to certain wants, but to produce profits . . . conflict must continually ensue between the limited conditions of consumption on a capitalist basis and a production which forever tends to exceed its immanent barriers." (*Capital*, Vol. III, p. 301.)

John Eaton, in what seems to be a brief indication of his own view, says that:

> "So long as surplus value can be profitably ploughed back into expanding Department I (the production of producers' goods), the limitation of consuming power . . . will not inevitably arrest the expansion of economic activity taken as a whole."

I entirely agree, and in fact said in my article that production of plant and machinery continues "so long as the going is good", which means the same thing as "so long as surplus value can be profitably ploughed back". Why then does John Eaton raise the point as an objection to my view? I can only suppose that he means that "so long as" is the same as "indefinitely", or that in practice production goes on independently of the final consumers' market. Marx was most emphatic on this point:

> "The production of constant capital never takes place for its own sake, but solely because more of this capital is needed in those spheres of production whose products pass into individual consumption." (*Capital*, Vol. III, p. 359)

To deny this dependence of machinery and raw materials production on the final consumers' market is in effect to say that the capitalists can go on making profit by selling to each other machinery and raw materials that are never used.

I also find myself in disagreement with John Eaton's remark about monopoly. He writes: "monopoly *as such* is a factor which *tends* to restrict installation of new plant in its own industries", and he therefore thinks I am wrong in attributing the high expenditure on plant and equipment in U.S. industry to monopoly. Lenin made the point that alongside the "tendency to stagnation and decay", capitalist monopoly can never eliminate competition, and the possibility of increasing profits by introducing technical improvements "operates in the direction of change". In short, capitalist monopoly, *as such*, has both tendencies—to stagnate and to expand and modernise—and in my view the period since the Second World War has been a

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period of intense competition in which the second tendency has been dominant.

Maurice Dobb's article *Changes in Capitalism Since the Second World War* (in the December issue) put this point very clearly in relation to the period of technical innovation we have had since the Second World War. The only point I would add is that innovation in the sense of discoveries is one thing; the use of those discoveries in capitalist production is another. I feel that both the drive for research that has produced many of the "innovations" and the application of them in actual production are not the result of a merely *accidental* period of technical advance. It may well be related on the one hand to the strength of the Labour movement and the fight for better conditions forcing technical advance in order to keep up profits; on the other hand, to the enormous mass of profits combined with the intensity of competition between giant monopolies.

John Eaton also takes me to task for my references to Strachey and Keynes. I think he misses the point. What he calls "one misleadingly worded sentence" in Strachey's book is in fact an expression of a considerable body of right-wing Labour opinion—that those who administer big monopolies do so not in the interests of profit but in the interests of the public. The sentence quoted from Strachey is not an accidental slip of the pen, "misleadingly worded". It is of the very essence of current right-wing theory, which emerges in the Labour Party policy statement *Industry and Society* in the form that the monopolies serve the nation well.

As for Keynes, I never have denied that the state can "influence levels of investment and other factors affecting the level of economy activity". For example, the Tory Government's Rent Act, 7 per cent bank rate etc. certainly have such an influence; and a reverse policy could have the reverse effect—so we fight against rent increases and for a lower rate of interest. But to say that in spending money on arms the Government is using a "technique" to mitigate crisis, and that a Government spending money, say, on housing would be using the same technique, but for a better purpose, can only confuse the movement. Socialist production will certainly use much of the technique of capitalist production and finance; but the political essence consists in the purpose of production, not the technique.

And in fact when John Eaton comes to what he calls "the means at our disposal for combating economic crisis" he speaks not of techniques but of "struggle by the working class against the state power of the monopoly capitalists" to impose economic policies in the interests of the working class. That is the essence of the Communist Party's call to fight the danger of slump, and the measures put forward are *class* measures.

John Bright rightly criticises me for not dealing with the socialist world. He also points to the increasing difficulty for the capitalist class to find a way out of the crisis. He says: "In the past, economic crisis was solved by the plunder of the agrarian countries and the pauperisation of the workers at home", but that today it cannot be solved in this way, owing partly to social insurance and unemployment benefits, partly to the strength of the trade unions, and to the need of capitalism to bear in mind the growth and influence of the socialist world. I think this is a very important point, though it must not be taken too absolutely. The capitalists will always try to solve their troubles at the expense of working people. But now the movement to prevent this kind of solution is stronger, *if it is brought into action.* This underlines the need to strengthen the Communist Party and build up unity for a fighting policy.

Joe Radley raises an interesting point about the European Common Market. I agree with him that there is "super monopoly" in it, but I think that the super monopoly is not the whole group of national monopolies involved in the Common Market but rather the single super monopoly based on Adenauer Germany and financially backed by the United States monopolies. In other words, I think it is the method by which the most highly modernised monopolies in capitalist Europe will dominate the markets of all the countries concerned, gradually crushing the "native" monopolies, most of which are not so highly modernised as the West German. I do not see it as a kind of monopoly capitalist association for mutual benefit but rather an attempt to crush rivals by making them lower their defences.

John Eaton says: "At this very moment the British economy faces a most critical economic situation, but to attribute it to the contradiction between production capacity and consumption would be to strain the facts quite unreasonably." I don't know which aspect of the economic situation he was referring to, unless it was the difficulties in Britain's balance of payments. Certainly Britain was not last autumn, and is not this spring, in an economic crisis.

But certain features of a crisis of relative overproduction are developing, and they are being encouraged by Tory policy (7 per cent bank rate, rent increases, social service cuts etc.). That the general conditions of crisis are growing in the United States is not, I think, disputed. It is also fairly generally recognised that this must affect conditions in Britain, whether or not there are signs of an "independent" crisis in Britain. The greatly expanded productive capacity of the United

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States is not being fully used; as a result, prices for example of copper and tin have fallen sharply, because United States industry is not buying raw materials on the same scale as before. The result, for example, in Malaya is a 30 per cent cut in output and a reduction in wages (which are tied to the price of tin). In Northern Rhodesia copper output is being cut and miners sacked; while because of the fall in revenue from taxes on copper, the Government has postponed a £13 million plan to electrify the railways. Australian purchasing power is reduced by the fall in the price of wool by 20 per cent.

The point is that the effects of over-production in the United States radiate out in the capitalist world, reducing the purchasing power of countries which are buyers of British exports. The result on British exports, and therefore on British industry, is inevitable.

(Incidentally, it is an ill wind that blows no one any good. The release of masses of capital from current American production, combined with the reduced rate of interest and fear of the developing slump, has led to a considerable transfer of funds from the United States to Britain. This is the real basis of the improvement in the gold and dollar reserves of Britain, which the Tories claim is due to the measures they have taken. It is reminiscent of the "flight from the dollar" which took place in the 1931-32 crisis in U.S.)

The gap between increased productive capacity and relatively stagnant purchasing power is determined by the relation between these two factors in the whole capitalist world. That is to say, the gap developing in a particular capitalist country may be filled by demand from another. The reverse is also true—if current demand from one capitalist country declines, it can create a gap between productive capacity and purchasing power in another capitalist country which had been selling goods to it. What happens in any part of the capitalist world, in spite of tariffs, quotas and all the rest, affects every other part, and therefore the question whether a gap exists in Britain or not at a certain period is not decisive for the future.

Another point: it by no means follows, from the general theory that crisis is due to over-production in relation to stagnant purchasing power, that the first sign of a crisis must appear in unsaleable goods in the shops. On the contrary, the shops may be selling a regular and even slightly increasing quantity of goods to final consumers, and yet a crisis of over-production may be developing. In fact, signs of crisis normally appear first in means of production, especially raw materials. For example, from 1928 to the 1931-32 crisis, stocks of lead increased five times, of wool five times, of copper and rubber more than twice. The reason is that the process of increasing capacity is a long one physically; development is undertaken on the basis of anticipated demand some years ahead; and if demand fails to increase, stocks mount up at the earlier stages before reaching the stage of final consumption. Commodities are always "in the pipeline" of production on their way to final consumers; if more are put in at the top than are coming out at the bottom, the capitalists first stop putting them in at the top, even though the flow out at the bottom may not yet be checked.

However, are there, so to speak, internal signs in Britain of over-production (in relation to consumption), apart from the backwash of the American depression? I do not think there are many, and such signs as there are may well be largely due to the Tory Government's policy. But it is a fact that orders for machine tools (for home and export) have been declining over many months; that production of tinplate and steel is running below capacity; that several orders for ships have been cancelled, and that eighty British ships have been laid up; to say nothing of the decline in new industrial construction and housing, which may be a more direct effect of Government policy; and the low level of consumer goods industries generally. In fact, the total volume of production has not increased since 1955, in spite of the considerable amount of new productivity capacity added in the years 1953-55.

Such a check to the growth of production is in itself a sign that no expansion of the market is taking place, and that the expansion of productive capacity is slowing down. This is the essence of the economic situation in Britain today.

The Declaration of the Communist and Workers' Parties (Moscow, November 1957) noted that "the temporary high business activity helps to keep up the reformist illusions among part of the workers in the capitalist countries". This high business activity is now coming to an end, and the change must be reflected in the breaking down of reformist illusions. Not automatically, but to the extent that our Party, while doing all we can to build up the united movement of struggle on immediate issues, is able also to show the need for the complete transformation of society. The publication of *The British Road to Socialism* is therefore extremely timely.

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